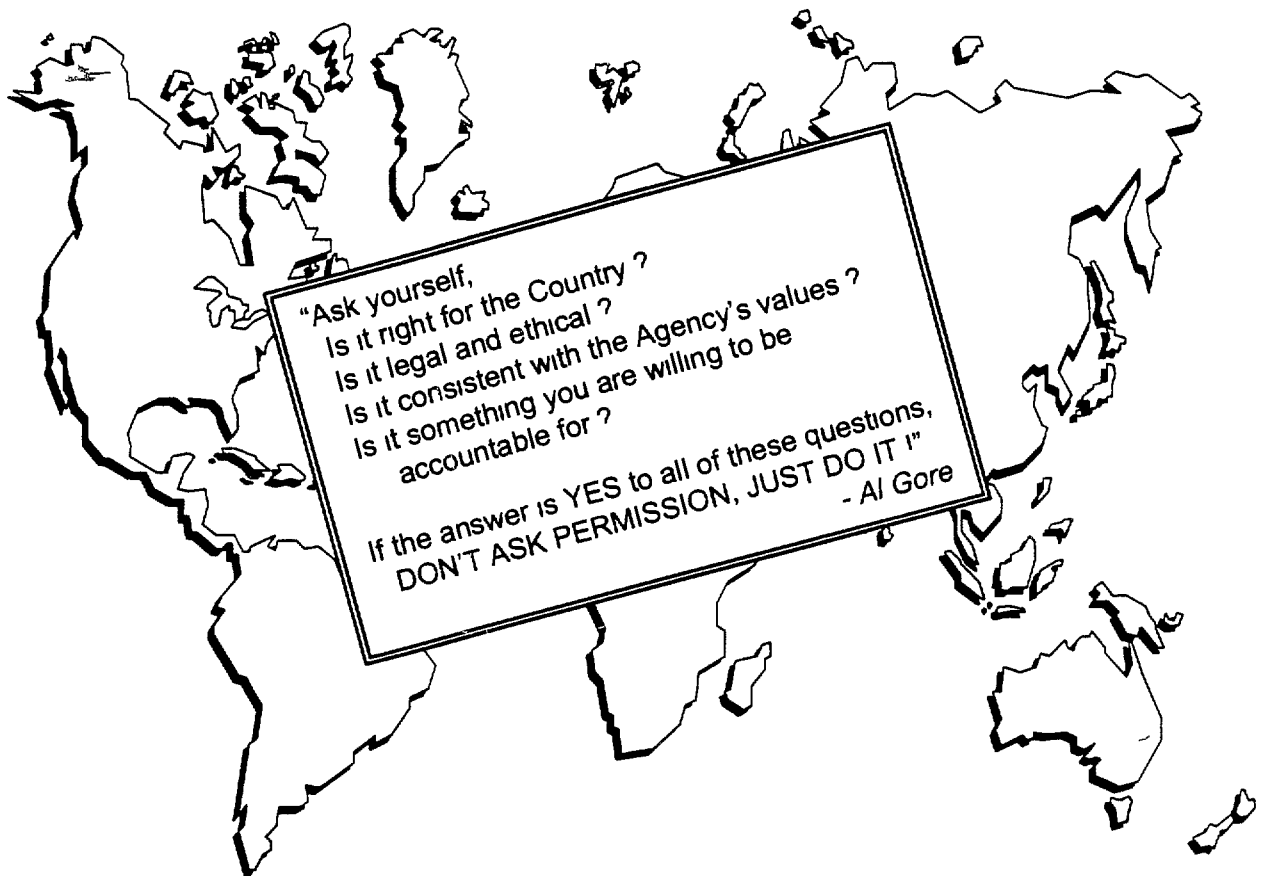


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PN-ACC-543

# Reengineering Executive Briefing

## *Retrospective & Current Transitional Issues*



Version April 1998

USAID/Africa Bureau/Sustainable Development/  
Productive Sector Growth and Environment

## *Common Terminology in USAID's Reengineering*

ADS	Automated Directives System
CEL	Country Experimental Laboratory
CSP	Customer Service Plan (acronym used in the reengineering documentation) <i>see under tab 3 "Customer Focus"</i>
	Country Strategic Plan (acronym in use in some USAID missions) <i>see under tab 2 "Managing for Results"</i>
IR	Intermediate Result <i>see under tab 2 "Managing for Results"</i>
NMS	New Management Systems (USAID's new computerized management information system)
OPS-BAA	Operations Business Area Analysis
Operating Unit	any mission, bureau, office, which administers <b>program</b> resources
R4	Results Review and Resource Request - <i>see "reporting" under tab 2 "Managing for Results"</i>
RF	Results Framework <i>see under tab 2 "Managing for Results"</i>
RP	Results Package <i>see under tab 2 "Managing for Results"</i>
RPT	Results Package Team <i>see under tab 4 "Teamwork"</i>
SO	Strategic Objective <i>see under tab 2 "Managing for Results"</i>
SOT	Strategic Objective Team <i>see under tab 4 "Teamwork"</i>

# *Overview of USAID's Reengineering 1*

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## **CORE VALUES:**

*Managing for Results 2*

*Customer Focus 3*

*Teamwork 4*

*Empowerment and Accountability 5*

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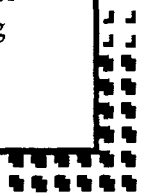


## ACKNOWLEDGMENTS

This adaption and expansion of USAID's reengineering training material was developed by Drew Lent of Management Systems International (MSI) under the Results-Oriented Natural Resource Management Project (RESON) of USAID's Africa Bureau, Office of Sustainable Development, Productive Sector Growth and Environment Unit (USAID/AFR/SD/PSGE)

Significant technical and editorial input into this product was made by Tim Resch and Tony Pryor of USAID/AFR/SD/PSGE

These materials were developed for and tested during the training of partners and agents involved in E/NRM programs in Africa during the period April through December of 1996. Those participants' invaluable input is also respectfully acknowledged.



# What's Reengineering ?

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**REENGINEERING** requires us to challenge the fundamental assumptions on which bureaucracies are built and radically redesign these organizations around desired outcomes rather than functions or departments. In the process, it forces us to develop new ways of thinking and seeing the world.



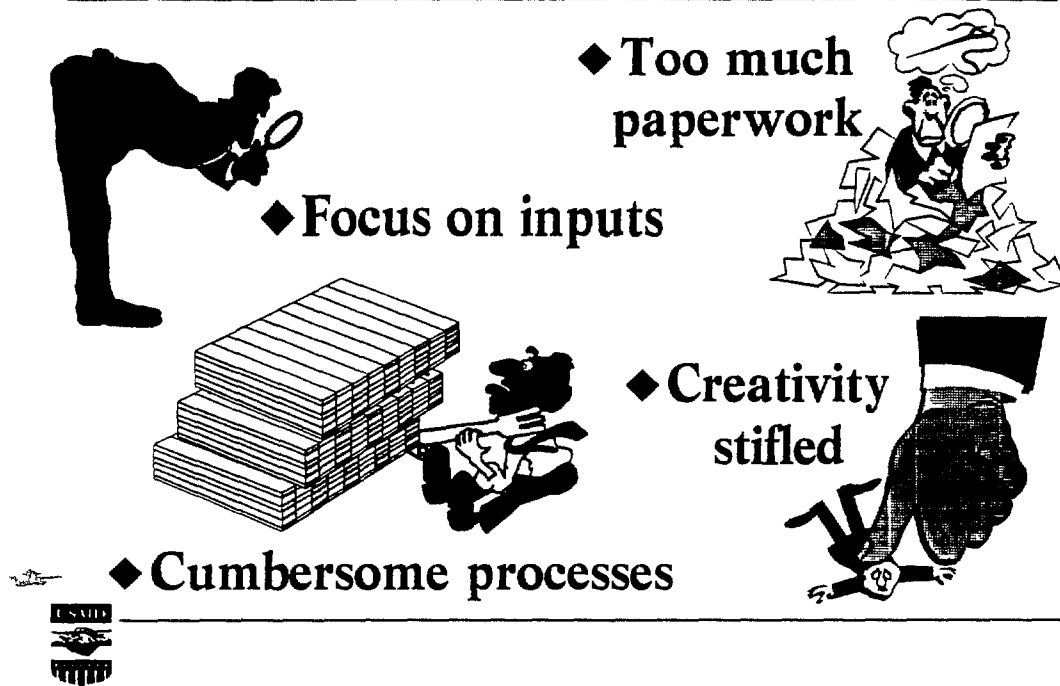
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*from Seamless Government, a Practical Guide to Reengineering in the Public Sector,  
by Russell M Linden - 1994*

In 1992, surging U S budget deficits demanded a re-examination of the role of government in a number of sectors, including foreign aid. The new administration sought to renew the mandate of the public service through an initiative called "re-inventing government" which has been spear-headed by Vice President Gore. This initiative encouraged all government agencies and operational units to seriously assess, revise and fundamentally redesign, if necessary, their organizational structures and processes in order to render government service more efficient, productive (results-oriented) and responsive to its customers and constituencies.

To date more than 250 U S government experimental "re-invention" laboratories have become engaged in reengineering. These labs span the gamut of government service organizations from units in the military to the government's scientific research operations.

# Why is USAID Reengineering?

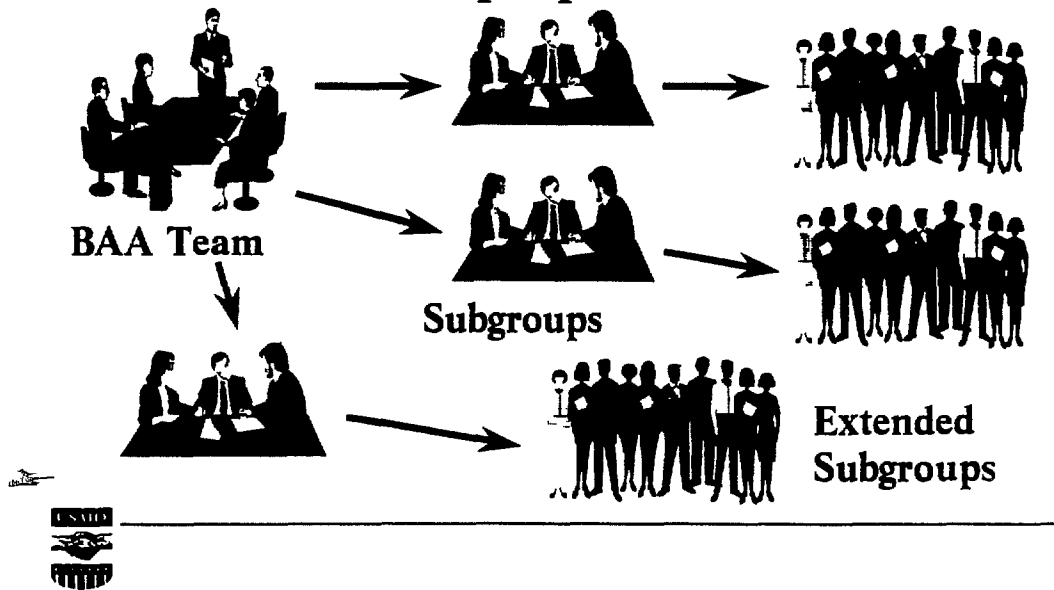


By 1992 USAID was considered “broken,” demoralized and without a mission in a post-cold war world. In response to this internal crisis, the Agency’s senior management volunteered the complete agency as an experimental re-invention lab. The work began, by employees assembled from all over the world, to assess the agency’s mission, its strengths and weaknesses and to determine how to best redesign processes that would enable USAID and its partners to effectively meet its mandate. USAID’s mission has now been oriented to “sustainable development.” Some of the most important features of USAID’s reengineering effort are that

- This is NOT a layering on of new regulations but a stripping away of the barnacles that impeded our progress
- Reengineering is based on analyzing how we do our business and eliminating steps that do not add value
- Some changes are radical but in fact many build on successful Agency experience

# How We Did What We Did

## ◆ More than 200 people were involved



Most of the work done for the Agency's reengineering has been done internally by USAID employees working in teams made up of both overseas and Washington employees

A dozen Missions worldwide volunteered to serve as Country Experimental Laboratories - CELs - to experiment with reengineering USAID's business since 1994

This combined experience has shown a great variety of applications of reengineering in many country and development contexts

On 10/1/1995, based on the above experience, new procedures and processes under reengineered systems extended Agency-wide

### *What does this mean for USAID's partners?*

As the actual reengineering efforts have been driven by individual missions and bureaus, there is a significant variety of specific interpretations of the guidance and application of the principles. Furthermore, from country to country, missions are at different stages of the reengineering process and are moving forward at different speeds. Partners who are engaged with more than one operating unit may find different practices and opportunities in each context.

The reengineered USAID includes significant changes in operations which will be supported by development of a unified corporate information system called the NMS - new management system

## **A Reengineered Operations System**

- ◆ **Ambitious but achievable results**
- ◆ **Authority over resources, tools, and information**
- ◆ **Improved procedures**
- ◆ **Collaboration among teams, partners, and customers**



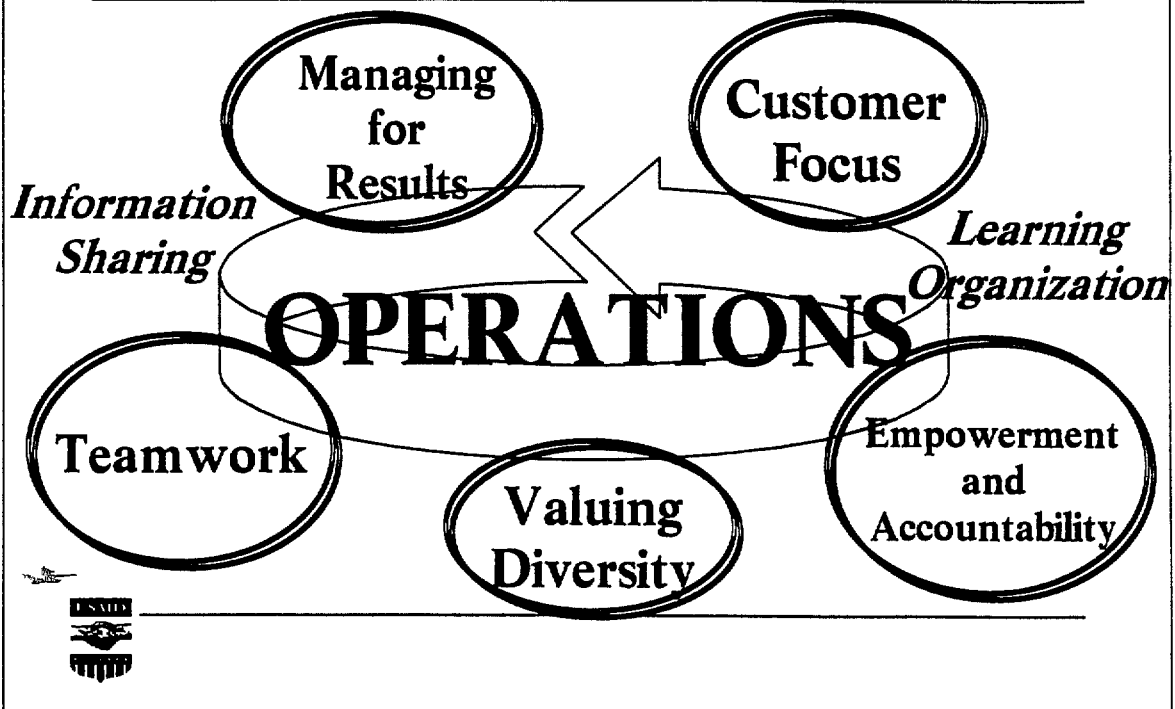
The four features of USAID's reengineered operations system listed here reflect a conscious application of the Agency's five core values

- "Ambitious but achievable results" reflects the Agency's reaffirmed commitment to a **results orientation**
- "Authority over resources, tools, and information" and "Improved procedures" reflect the commitment to **empowerment**, in this case, of Agency staff and partners

Finally,

- "Collaboration among teams, partners, and customers" reflects the three core values of **customer focus, teamwork and valuing diversity**

# Five Core Values



The core values became the basis for redesigning the operations system

## Managing for Results

- Trackable results are crucial for good planning and for our relationship with our stakeholders
- Managing for results will improve our relationship with stakeholders

## Customer Focus

- The customer is the recipient of our goods and services (the end user)
- Our ability to listen to customers affects the quality of work  
Listening to customers will increase our effectiveness The quality of our work directly affects our impact
- Congress, the American taxpayer etc are "stakeholders" - they give us money to do something for the end users and expect us to be accountable for quality work

- continued on the next page

### **Teamwork**

- Teamwork will change how we think and work together

### **Empowerment and Accountability**

- Missions/Bureaus/Offices and their associated Teams will be accountable for results (and empowered to select the best way to achieve them)
- Empowerment will also give us greater personal satisfaction on the job

### **Valuing Diversity**

- Our ability to make wise team-based decisions and follow-through effectively depend on our ability to include and value a diverse set of views, perspectives, talents and abilities. This has particular importance in a cross-cultural work environment which is committed to serving customer needs

~~It~~ is important to recognize that reengineering is an on-going process that is intended to build on “best practices”

**Reengineering doesn't end on October 1 - it starts on October 1. What we put in place should not look the same two years later - it should look better. The people who make reengineering work are you and the people in your Missions.**

*- Phyllis Forbes, July, 1995*



Operating units are encouraged to translate the new operations systems and stream-lined procedures in ways that add value to the way they do their work

Current information on units' innovations is readily available to USAID's partners and agents through the OnTrack newsletter (OTRACK@USAID GOV), via the Internet (www info usaid gov - see publications), and via e-mail on RFNET (For membership please contact "JADAIR@USAID GOV")

## **Reengineering and Development ?**

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- ◆ **Improved, participatory planning enhances our ability to look “over the horizon”**
  - ◆ **Building consensus among partners around a development hypothesis will extend our reach and impact**
- 



Many of the innovations discussed in this course were based on best practices identified in field experience. For this reason some of the reengineered practices will seem like “the way it’s always been” or just good common sense. Certainly in a variety of technical sectors and country contexts, development professionals have distinguished their efforts in terms of

- their commitment to grassroots and participatory approaches in planning and achieving results,
- their dependence on extensive coordination of activities among donors, NGOs and partners, and
- their appreciation of how long-term or strategic thinking is essential to effecting a significant impact on the environment

USAID’s reengineered processes should support and validate these practices. More participatory strategic planning and active “hypothesis testing” will improve our chances of positively effecting environment change. More adaptive management practices will allow us to alter our course as we learn more about what is and isn’t working in our hypothesis. Finally, the formal engagement of our customers, and partners within the process will improve the quality of our management decisions.

## **Reengineering and Development ?**


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- ◆ **Increased transparency and flexibility will help us better manage the varying degrees of certainty in our interventions**
  - ◆ **Increased teamwork and empowerment directly supports a multi-disciplinary approach**
- 

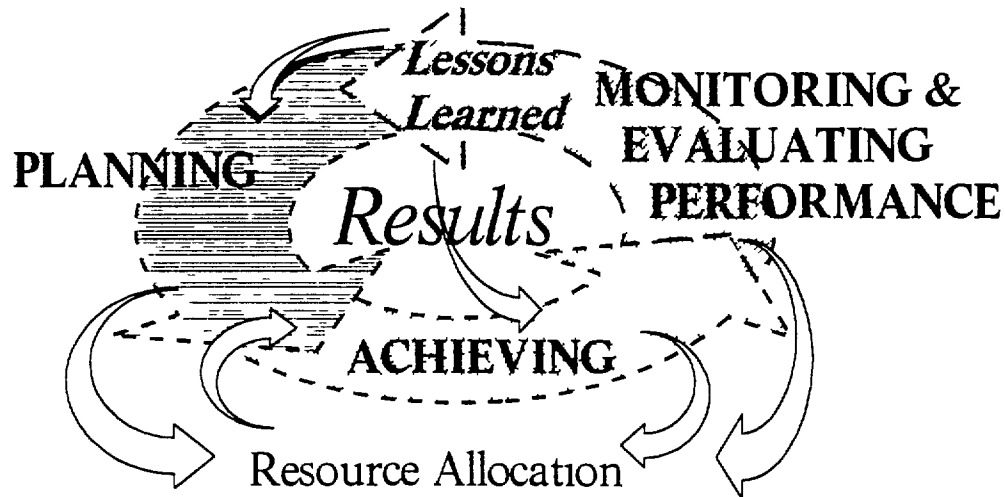


On the Agency's Internet web page ([www.info.usaid.gov](http://www.info.usaid.gov)) you'll find the Agency's current Strategic Framework. This includes discussion of the Agency's goals in economic growth, democracy, population, humanitarian response and the environment.

# *Managing for Results*

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# Key Functions of the System



There are a few key principles that have guided the teams redesigning USAID's implementation process. For starters, we now talk about "achieving" as contrasted with "implementation." The term "achieving" emphasizes the focus on results, not just on process. Achieving is a means to an end, not an end in itself.

Achieving is designed to be a learning process, in which we take risks but we learn from our mistakes, we use information -- which will be more timely and readily available from here on out -- to make modifications in what we are doing, and we share lessons learned with others inside and outside the organization.

A companion to learning is the flexibility to act on that learning and make changes as we go along. The reengineered Achieving process has built into it certain degrees of flexibility that empower those closest to the processes and activities to decide whether to change them or not. The focus, of course, is always on achieving the desired result, at whatever level it may be.

# Achieving

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- ◆ A means to an *End* (i.e., a Result)
- ◆ A Learning Process
- ◆ Flexible
- ◆ Collaborative
- ◆ Interrelated yet self-contained, result-focused, and time-limited activities



The reengineered Achieving process is designed to be collaborative, with the involvement of customers, stakeholders and partners at every opportunity. For example, activities organized to achieve specific results in the Results Framework should include customers, stakeholders and partners, and “virtual” teaming with collaborators in other parts of USAID is now the norm.

The reengineered Achieving process is designed to make it possible for teams within the Operating Unit to be involved in all phases of achieving specific results -- planning the activities, carrying them out, assessing them, and modifying them -- because Results Packages (or whatever approach for organizing the work chosen by an operating unit) should be focused, time limited and so on. The aim here is to avoid situations, common in the past, in which project design and implementation were so long and complex that staff (and partners, for that matter) never participated in the whole process and never could be held accountable for any results.

## **USAID's Approach to Strategic Planning and Performance Measurement**

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- ◆ Emphasize Results
- ◆ Increase focus and choose strategies and resources “strategically”
- ◆ Measure and report on results
- ◆ Analyze performance information to learn, re-plan and improve performance
- ◆ Use performance information to tell USAID's story



## **Managing for Results**

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- ◆ Know the customers and their needs
- ◆ Know the results we want to achieve
- ◆ Understand the process to achieve results
- ◆ Use information/data to tell us how well things are working
- ◆ Have authority to take corrective action (change process, or change result)



## What's Different in Planning?

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- ◆ Participation at every level
- ◆ Joint Planning and programming
- ◆ More explicit linkage between achievement of results and budgeting



Here is what, specifically, we expect to be different about the process of Planning, primarily from an operating unit perspective

- ⇒ The "new" planning system is built on the best practices from Agency experience, particularly the longer experience with planning in the AFR and LAC Bureaus. So, in a very real sense, it isn't all that "new." What is new is a commitment at Agency level to make the best practices of some parts of the organization over time the standard for practice throughout the Agency.
- ⇒ Particularly new in planning are the increased and systematic emphasis on customers and participation in planning and joint planning between the field and AID/W. Joint planning, if it is done well, should lead to more effective achievement of results and in fewer surprises when strategic plans come into AID/W from the field.
- ⇒ With the new approach to budgeting (by strategic objective, that is), there will be an increased emphasis on past achievement of results and the likelihood of future achievement of results when resources are being allocated.

*What does this mean for USAID's partners?*

Partners may be invited into the planning process as full members of Strategic Objective Teams. Besides bringing technical and sectoral expertise to the process, partners may serve to represent the interests of USAID's ultimate customers.

## **What's Different in Planning?**

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- ◆ Only two documents to AID/W:
  - ❖ Strategic Plan
  - ❖ Results Review and Resource Request (R4)
- ◆ Easier access to information



Field operating units are required to send to AID/W only two documents, the once-in-several years Strategic Plan and the annual Results Review and Resource Request. For example, missions do not have to send activity-specific documents (such as the old project paper) to AID/W for review.

Once the New Management Systems are operational, everyone involved in the planning process will have easier and more timely access to information--information regarding the strategies and results of other operating units that might be relevant to the strategy we are considering, the resources available for the kinds of activities we might want to pursue, and so on.

# THE STRATEGIC PLAN

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The framework which an operating unit uses to articulate the organization's priorities, to manage for desired results, and to tie the organization's results to the customer



The strategic plan replaces (actually, builds upon) the bureau-specific planning documents used heretofore. The strategic plan is comprehensive -- it includes strategic objectives (SOs) and a description of how the operating unit plans to use resources to accomplish them.

# The Country Strategic Plan

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- ◆ Summary analysis of the development assistance environment and the rationale for program focus
- ◆ Proposed Strategic Plan includes:
  - ❖ Linkages to Agency's Strategic Framework
  - ❖ Country goals & subgoal
  - ❖ Explanation of each SO
  - ❖ Resource requirements by SO



*Excerpt from the Directives -*

## E210 5 10      Contents of Strategic Plans

Operating unit strategic plans shall include the information necessary to secure endorsement by Agency management on the proposed strategic objectives and targeted magnitude of impact, associated resource requirements, and, requested delegations of authority. Operating units must ensure that any special legislative requirements, as applied to strategic planning, are included. Operating units are not required to follow the outline below in its exact form, however, strategies shall include the following three sections and shall provide a clear and concise discussion of the below referenced issues in a form which is appropriate to their program.

### PART I      Summary Analysis of Assistance Environment and Rationale for Focusing Assistance in Particular Areas

- A    US Foreign Policy Relationship of the program to US foreign policy interests

*continued*

- B Overview Country strategies will provide an overview of the country condition to include a summary of overall macro-economic and socio-political trends, a discussion of development constraints and opportunities, how the strategy relates to host country or regional priorities, and the role of other donors Regional and Global strategies will provide a discussion of relevant transnational trends, how the strategy relates to regional or global priorities and the role of other donors
- C Customers A brief discussion of how customers influenced the strategic plan both directly and indirectly using the customer service plan as a basis
- D Transitional Issues Transition or phase out issues, for those country programs which are transitional in nature, the strategy will provide a discussion of key transitional issues which are appropriate to the country (whether it is a country nearing graduation or transitioning from relief to development) Regional and global programs may discuss transitional or phase out issues where relevant



## PART II Proposed Strategic Plan (Country, Regional, or Global)

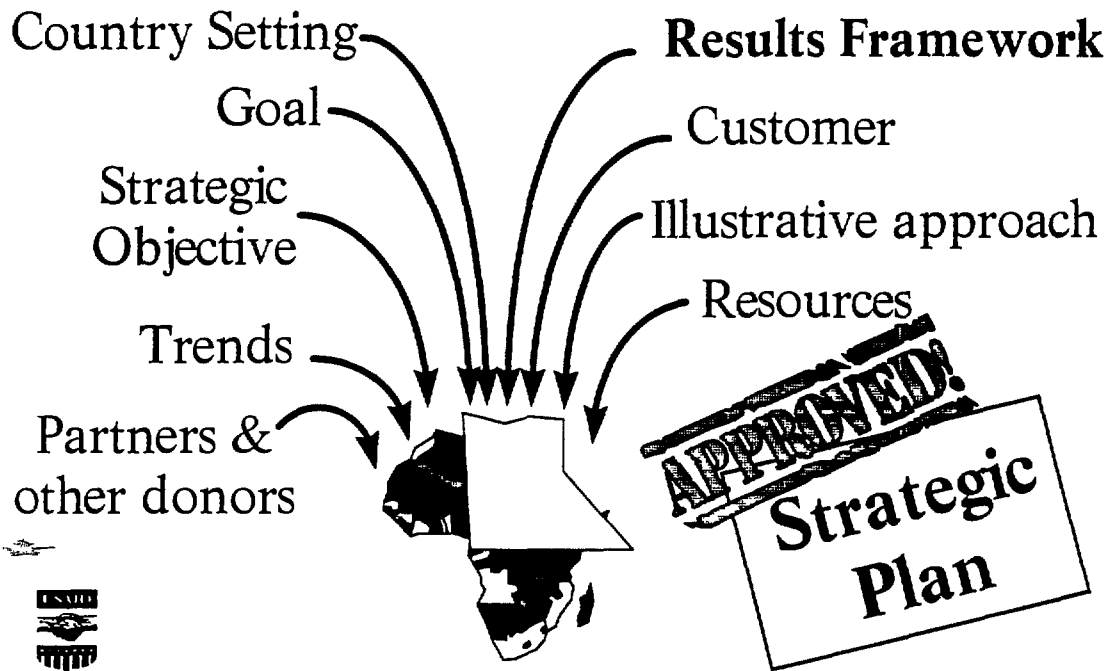
- A A discussion of the linkage of the strategy to Agency goals and objectives
- B A discussion of country goals and subgoals (where applicable)
- C Each Strategic Objective or Strategic Support Objective must include the following
  - 1 A statement of strategic objective
  - 2 A problem analysis, to include an analysis of the specific problem to be addressed and an identification of affected customers
  - 3 A discussion of critical assumptions and causal relationships which are represented in the Results Framework
  - 4 The commitment and capacity of other development partners in achieving the objective This may include a trend analysis which demonstrates why the current climate and support by other partners (including the host country government) or customers indicates that the objective can be achieved
  - 5 Illustrative approaches
  - 6 How sustainability will be achieved
  - 7 How the achievement of the strategic objective will be judged including,
    - a Proposed performance indicators and targets for achievement of each strategic objective as well as monitoring interim progress (see Series 200, Chapter 203 )

- b Performance targets which convey an understanding of the anticipated magnitude of change vis a vis USAID's investment and/or that of USAID's partners. These performance targets will represent anticipated results over the entire strategy period to the extent possible (i.e. where past experience and technical knowledge indicate that targets which are projected to the end date of the strategy are useful and meaningful). There are some cases, most often in new areas, where select targets may be shorter than the planning period, and therefore will need to be updated via the R4 process. Also, interim performance targets may be used as part of performance monitoring during the life of the objective.
- D If the operating unit has identified a special objective, the discussion must include the following for each special objective,
  - 1 The time-frame for the Objective
  - 2 Relationship to Agency goals and objectives and/or the country strategy
  - 3 Expected Results
  - 4 A proposal for monitoring achievement of any special objectives as is appropriate to the nature of the objective
- E For Field Mission operating units, the strategy shall identify any activities which support global objectives and are outside of the field mission's bilateral strategy. The field mission should also identify any management responsibilities for which it is held responsible.

### PART III Resource Requirements

- A Estimated resource requirements over the planning period to achieve the strategic objectives, including program dollars as well as supportive OE and personnel. Program funding shall include the amount for field support provided through G Bureau mechanisms. The operating unit shall also identify any USAID/W technical or other support which are necessary to accomplish the strategic objectives.
- B Discussion of programming options. This should be brief and concise and may take the form of a simple matrix which serves to articulate and distill the priorities of the operating unit and is based on high, medium, and low funding levels. Such a matrix should take into account Congressional and Administration mandates and may indicate country conditions that would warrant increases or decreases in assistance.

# Country Strategic Plan



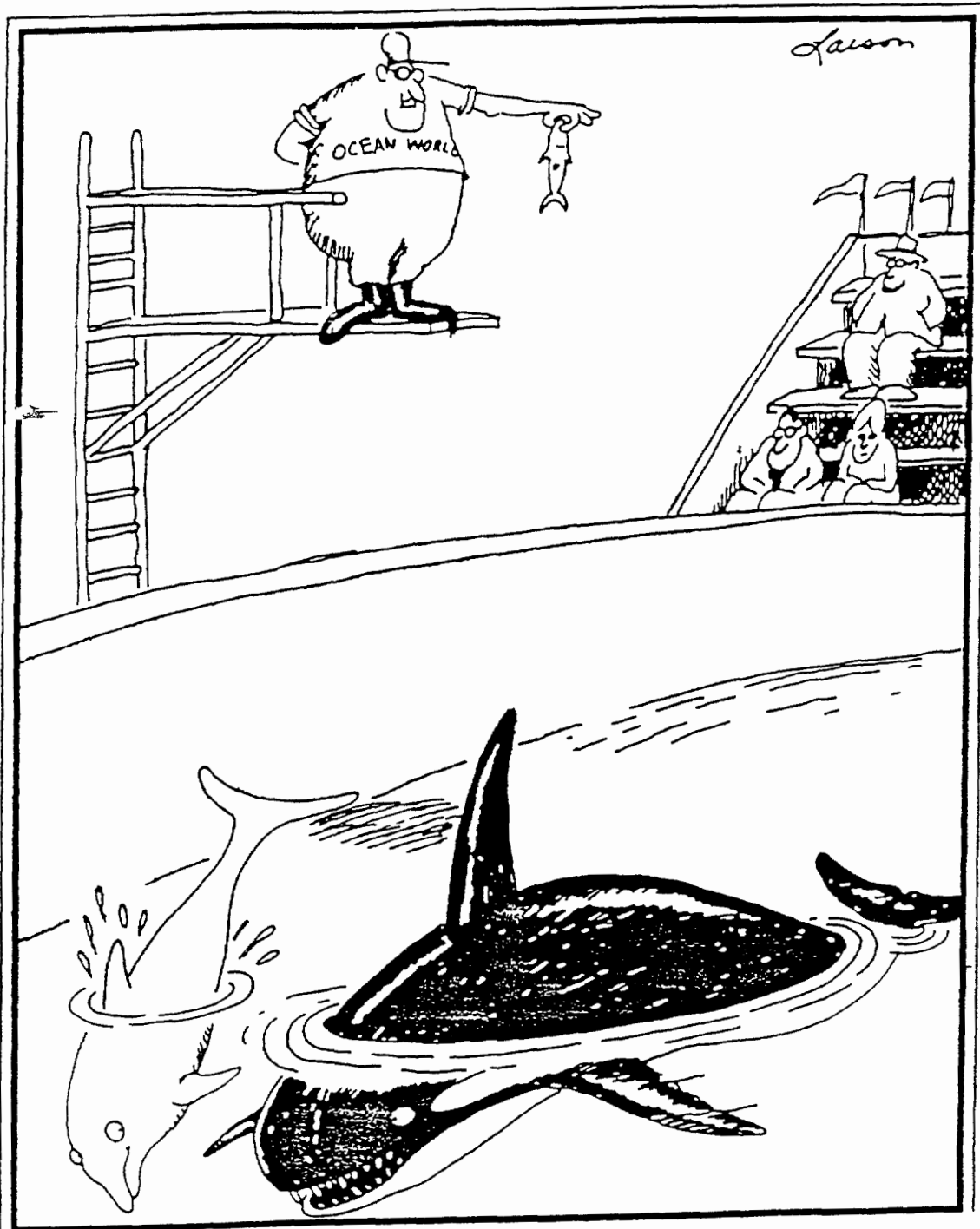
Strategic Planning for a *country* program will include all USAID program funding proposed for allocation to the country, including funding in support of centrally managed global programs, food aid, and research activities

Planning for regional and global programs must include program funded activities that are

- (a) regional or global in nature,
- (b) bilateral programs for which the central operating unit has direct responsibility, and/or
- (c) activities that have bilateral impact and are managed by a central operating unit due to management efficiencies

Exceptions to the strategic planning process are start-up programs and emergency programs See the Directives for details

# Good Strategic Planning Involves Setting Ambitious, Yet Achievable Objectives...



"The herring's nothin' . I'm going for the whole shmeer!"

*Based on the Strategic Plan, USAID/Washington  
and the operating unit establish a...*

## **Management Contract**

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- ◆ Agreement on objectives
- ◆ Confirmation of estimated resources over the strategy period.
- ◆ Provision of appropriate delegations of authority
- ◆ Special management concerns requiring action



# Strategic Objectives

---

The most ambitious result in a particular program area that an operating unit (with its partners) can materially affect and for which it is willing to be held accountable.

---



## Types of SOs-

**Bi-lateral and Regional/Global Strategic Objectives** are like strategic objectives under the old system--each of them is unique to and managed by a single operating unit

**Strategic Support Objectives (SSOs)** are Regional or Global Bureau development objectives that rely partly on the results of activities performed by the bureau and partly on the results of activities performed by other operating units, such as missions. These objectives allow Global and other bureaus to relate their support activities to the high-level development results toward which they are aimed.

E.g., the Global Bureau may be developing a new vaccine in order to ultimately reduce the incidence of a particular disease (which is a significant development result). Global develops the vaccine, but it relies on missions to distribute the vaccine and ensure its proper use through their health programs. It's really a joint objective: the missions will most likely be including reduced incidence of the disease in their SOs, and Global will be adopting reduced incidence as its SSO. Global will also probably rely on mission data for measuring performance against the SSO.

SSOs represent an attempt to allow Global and other central or regional bureaus that are providing critical support to missions' development efforts to relate that support to development results. The less attractive alternative would be to reduce Global to low-level strategic objectives, which are separated from the higher level development results toward which they are aimed. The aim here is to relate all assistance activities -- including Global's -- to significant development results. In effect, those development results are shared by Global and the missions.

A **Special Objective** is one that has limited development impact, and therefore does not qualify as a full-fledged SO. Special Objectives can include objectives that respond to earmarks, involve phasing out a major development effort, try something exploratory or experimental, or involve research that contributes to an Agency objective.

# Objectives

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- ◆ Strategic Objective
  - ❖ Bi-lateral Strategic Objective
  - ❖ Regional/Global Strategic Objective
- ◆ Strategic Support Objective
- ◆ Special Objective



# Strategic Objective

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- ◆ a significant development result
  - ❖ clear, precise & objectively measurable
- ◆ the highest level result for which the operating unit is willing to be held accountable
- ◆ unidimensional, in so much as possible
- ◆ linked to Agency objectives & goal
- ◆ achievable within 5 - 8 years

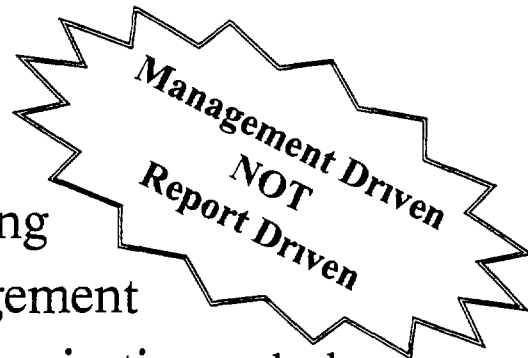


The directives identify situations in which a strategic objective may have more than one dimension -- when two very interrelated results are being sought, or when the program to achieve two very related results is a very integrated program

## *What does this mean for USAID's partners?*

In some countries USAID's identification of strategic objectives and a planning process has spurred local partners to engage in their own strategic planning process. In some cases the participatory planning process initiated by USAID has encouraged partners (NGOs, government and donors) to come together to plan more collaboratively and strategically for the whole sector. This was the case in donor support for private sector development in Uganda and in the environment in Madagascar.

## Results Frameworks - Functions



- ◆ Planning
- ◆ Management
- ◆ Communication, which includes building understanding and increasing ownership
- ◆ Reporting



The Results Framework is the basic tool used to describe and illustrate the operating unit's development hypothesis. It also serves as a framework within which units can develop plans with customers and partners, thereby building ownership and shared support for implementation. The framework should serve development professionals as a management tool as much as an instrument for planning or reporting.

These functions are summarized and contrasted on page 30

### *What does this mean for USAID's partners?*

The RF must be much more than a reporting document for which USAID is accountable. The ability to effectively achieve the SO doesn't depend merely on the quantity of technical and financial inputs, but on the 'ownership' and commitment of the development partners and agents in achieving the set of results. Therefore partners' engagement in developing and monitoring the RF is critical to USAID's success.

# Results Framework

---

- ◆ Presentation of SO and key Intermediate Results (IRs) and the cause-and-effect linkages between them
  - ◆ Identifies all IRs necessary to achieve the SO regardless of who is taking responsibility
    - ❖ **through USAID assistance**
    - ❖ **through other development partners**
  - ◆ As part of the Strategic Plan, it illustrates the Mission's development hypothesis
  - ◆ Serves as a Mission management tool
- 



Some differences between the Results Framework and the PRISM Objective Tree (the graphic presentation of the narrative column of the Program Logframe)

- ⇒ The Results Framework represents an attempt to be more explicit in its emphasis on **causal linkages**, and less bound to prescribed levels in a hierarchy Under PRISM, we have observed the tendency of some operating units to try to make everything at one level of the objective tree -- e g , the Program Outcome level -- relatively equal in importance
- ⇒ In the Results Framework, the emphasis is on how things relate causally, regardless of relative importance or chronology The Results Framework tries to avoid forcing things into a linear sequence, when in real life things are sometimes circular in their impact

# Results Framework

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- ◆ Identifies organizational responsibility and timeframe for each result
- ◆ Shows integration of results from other SOs where appropriate  
(the RF is not necessarily linear in its logic nor in its presentation)
- ◆ Serves as a reporting and learning tool  
(validating & reassessing the development hypothesis as activities progress and the environment evolves)
- ◆ Defines performance indicators and targets



The Results Framework includes **more detail about specific contributing results** to elaborate a more complete “development hypothesis” than did the PRISM objective tree. How much detail? Enough to elaborate many causal relationships within the development hypotheses. This will include details about assumptions, resources and partners’ involvement.

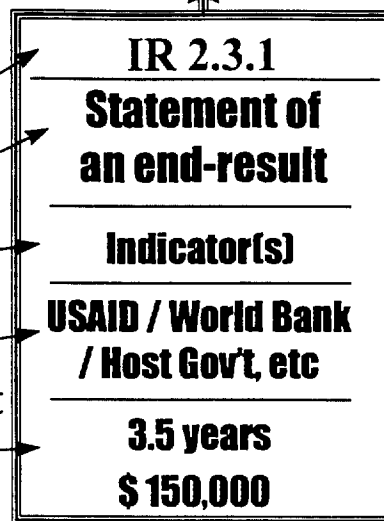
## *What does this mean for USAID’s partners?*

The RF is by no means a secret or static document. Partners are intended to be intimately involved in the formulation of USAID’s framework and should be continually implicated in the ‘ground-truthing’ of the development hypothesis it represents. As the operating unit learns from its experience the framework may be changed. Much of this acquired knowledge lies in the experience of partners, agents and other program implementers. The framework provides a basis for this substantive dialog.

# Results Statements Components

## ◆ A results description typically includes:

- ❖ reference number
- ❖ results statement
- ❖ indicator(s)
- ❖ implementers/partners responsible for the result
- ❖ timeframe
- ❖ possibly, resources

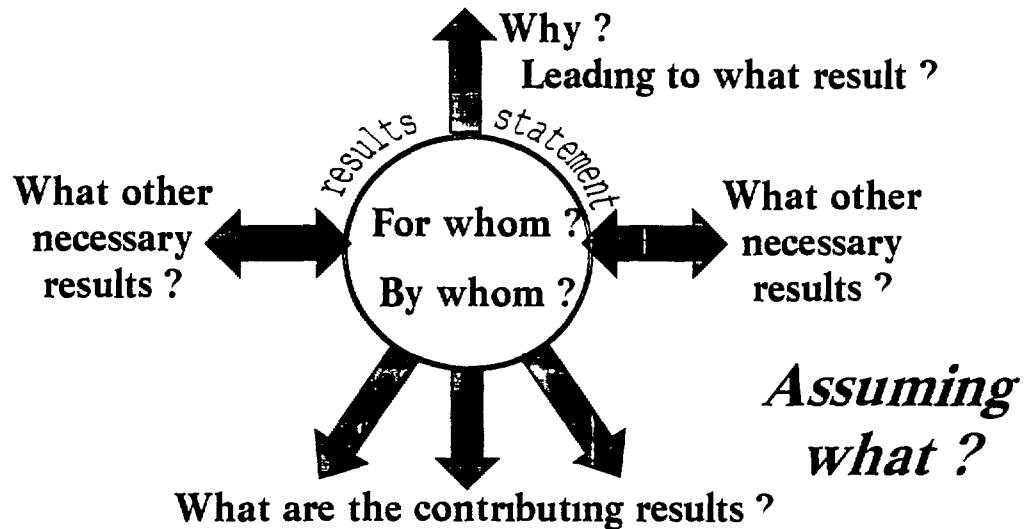


Remember that the Results Framework is essentially the text that describes the operating unit's development hypothesis, normally illustrated with a graphic representation of IRs in relationship to each other. For each IR result the information listed above will need to be presented, either in the text or in the graphic, or in both. One way to keep the graphic illustration uncluttered is to annotate the RF in the strategic plan with a section that describes the RF result by result. This outline for each IR would include

- the IR further defined (if necessary),
- a description of the causal linkages between the IR and the other results that contribute to its achievement,
- an explanation of the performance indicator, and
- an overview of the types of engagement in support of the IR to be undertaken by USAID's agents and partners

In the RF graphic, it is especially useful to note, in the IRs for which USAID is NOT taking material responsibility, the name of partners who are achieving that particular result (*see the example on page 22*)

## Logical associations between SOs and IRs within the RF graphic



As you read up the series of intermediate results the logic of the statements answer the question “why are we doing this?” or “why this result?” In other words, for what greater result?”

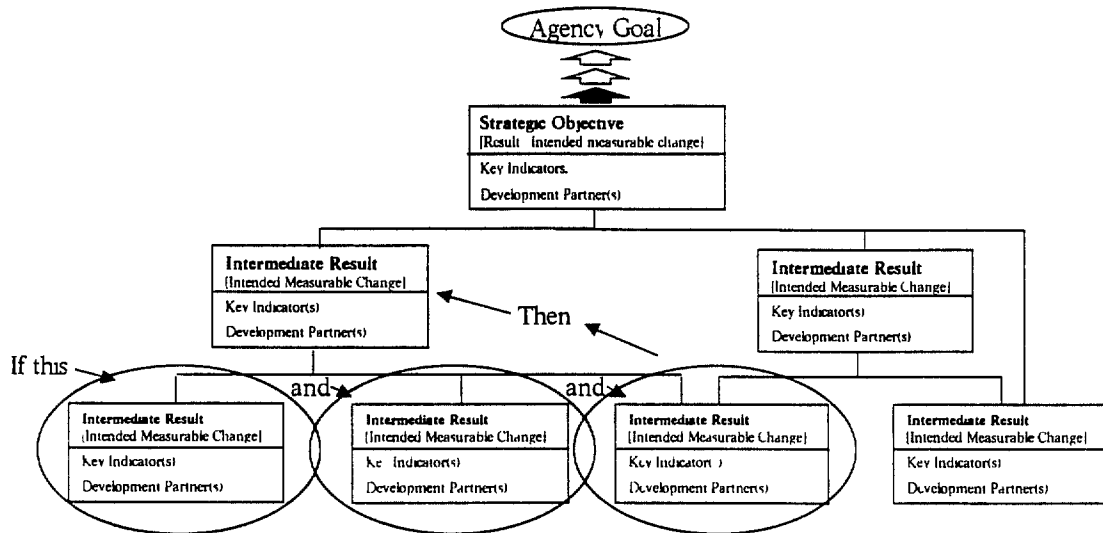
As you move down the framework the intermediate results statements answer the question “how do we do cause this effect?” In other words, what other results will be required to achieve this particular result? This logic should NOT be construed to mean “what activities will be conducted” to attain this result, as only results, not activities are included in your RF

“What other necessary results” refers to all the other intermediate results that must occur in concert with this IR to cause the desired effect above, i.e., the next level of result. In order to attain the result above have you identified all results that are necessary and sufficient to lead to the next level?

Also key to presenting the logic of your hypothesis are the **critical assumptions** that underlie your framework. These assumptions should be referenced either on the RF graphic or in the RF text presented in the strategic plan.



# Results Framework graphic



What are the changes/results necessary and sufficient to get to the next higher level?  
How do you achieve the higher level of results?



Causal relationships between results need not always be strictly hierarchical i.e. an intermediate result on one level can contribute to the achievement of intermediate result on two or more levels

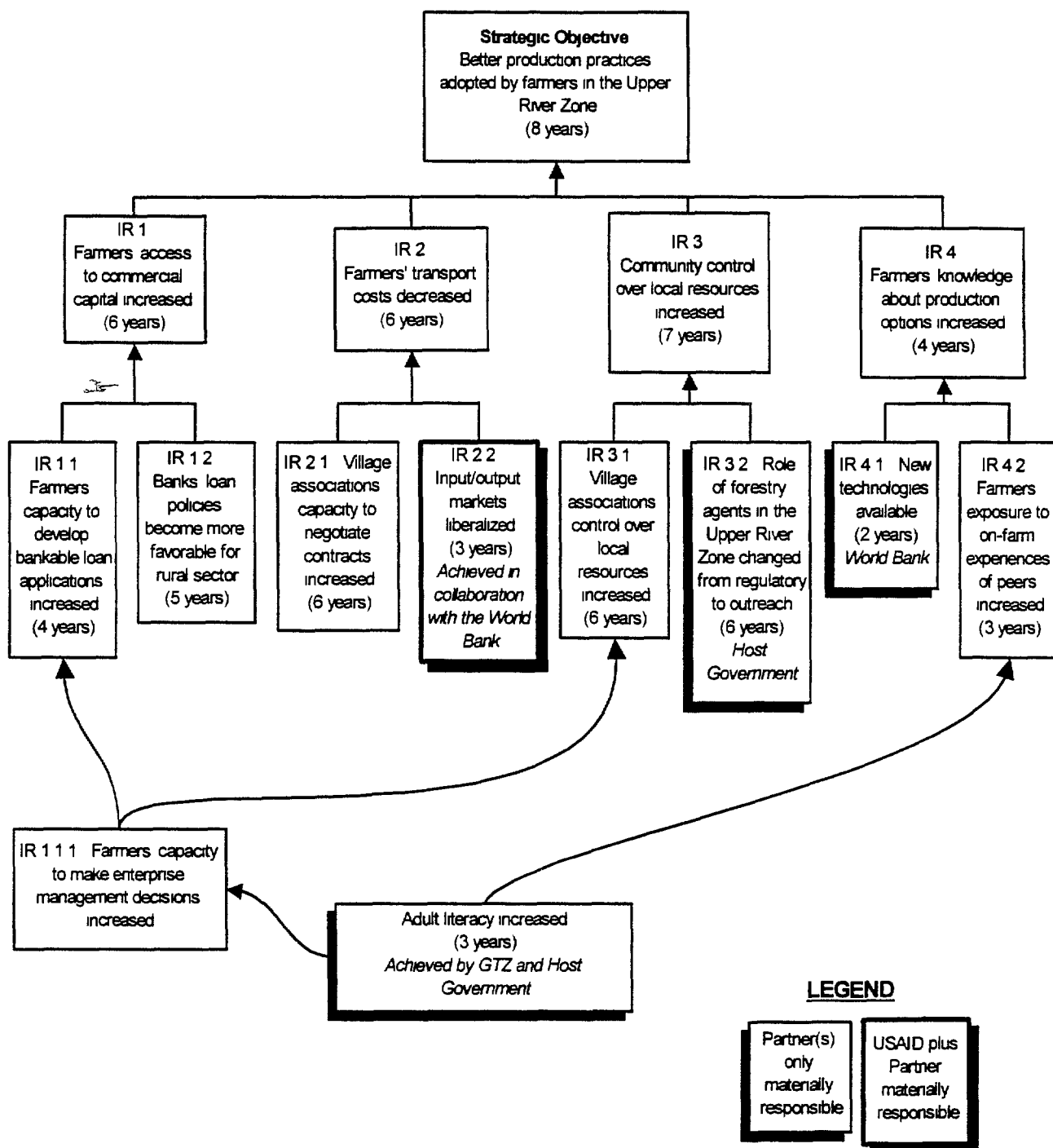
NB Remember that the logic of the RF is a basic "If then" causality which unifies the framework into an overall development hypothesis

*What does this mean for USAID's partners?*

Remember that USAID's development hypotheses will often include the results of their partners, therefore partners' intermediate results will be shown in their Results Framework graphics, regardless of whether USAID is funding activities leading to achievement of those results or not

*An example -*

## Upper River Zone RESULTS FRAMEWORK GRAPHIC



## General Characteristics of Results Statements

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- ◆ Statement of results - not an activity or process
- ◆ One, unidimensional result - not a combination of several results
- ◆ The result is measurable and objectively verifiable



The result should be stated as an completed end-result as opposed to an on-going process or activity

Unidimensional results are those with one final effect, e g , “increased broad-based private sector investment” (the final effect may require more than one descriptor) as opposed to multi-dimensional results which are actually the combination of more than one result, e g , “healthy, better educated families” The use of multi-dimensional results will cause difficulties in developing the logic of the framework as well as the measurement of the result

An “objectively verifiable result” is one that, given the supporting data, a skeptic and a proponent would both agree is a bonafide result The actual measurement of this result might rely on qualitative or quantitative data, depending on what is most realistic and appropriate

*See examples of these points on the next page*

## EXAMPLES:

### Criterion: Results Statements

Poor Example	Good Example
Support macro-economic policy reforms	Reduced gap between official and parallel exchange rates
Environmentally viable alternatives to deforestation promoted	Increased use of sustainable forest management practices

### Criterion: Unidimensional Results

Poor Example	Good Example
Improved quality of health care and education services	R1 Improved quality of health care <u>and</u> R2 Improved education services
Expanded small and medium-sized enterprise sector and increased non-traditional exports	R1 Expanded small and medium-sized enterprise sector <u>and</u> R2 Increased non-traditional exports
Increased agricultural productivity and farm incomes	R1 Increased agricultural productivity <u>and</u> R2 Increased farm incomes

### Criterion: Objectively Verifiable

Poor Example	Good Example
Public and private sector leadership developed	Improved regulatory environment

## **Good Results Frameworks Must Show Logical Consistency**

- ◆ Linkages between Intermediate Results (IRs) and Strategic Objectives (SOs) are causal in nature
- ◆ Logical relationship between IRs and SOs is direct and clear where IRs are lower-level results which contribute to SOs
- ◆ IRs include key partner as well as USAID-funded results



The relationships among the results within the framework is causal in nature, and therefore describes a “cause and effect” or “if then” logic (*as was the case in the relationships within the Objective Tree*)

The direct effect of all these “causes” within the results framework should be the desired change in the development environment (*as expressed by the strategic objective*) This logical argument constitutes your development hypothesis

*See examples of these points on the next two pages*

## EXAMPLES:

**Criterion: Linkages between IRs and SOs are causal in nature**

Poor Example		Good Example	
SO	Increased agricultural production	SO	Increased agricultural production
IR 1	Increased agricultural production in highland regions	IR 1	Improved agricultural market efficiency
IR2	Increased agricultural production in coastal regions	IR2	Increased adoption of improved production technologies
SO	More effective management of the natural resource base	SO	More effective management of the natural resource base
IR 1	More effective management of forest resources	IR 1	Increased institutional capacity of the Ministry of the Environment
IR2	More effective management of coastal resources	IR2	National Environmental Action Plan implemented
IR3	More effective management of agricultural resources	IR3	Private sector engaged in profitable and sustainable natural resource use practices

## EXAMPLES:

**Criterion: Logical relationship between IRs and SOs is direct and clear**

Poor Example	
SO	Increased household incomes
IR	Increased access to non-traditional agricultural markets

**Criterion: IRs are lower-level results which contribute to SOs**

Poor Example		Good Example	
SO	Improved natural resource management in critical watersheds	SO	Biodiversity of critical ecosystems conserved
IR	Biodiversity of critical ecosystems conserved	IR	Improved natural resource management in critical watersheds
SO	Improved quality of basic education	SO	Increased number of children who are literate and numerate
IR	Increased number of children who are literate and numerate	IR	Improved quality of basic education

## **Good Results Frameworks Reflect A Realistic Level of Responsibility**

- ◆ The SO is the highest result which the Mission can expect to materially affect and for which it is willing to be held accountable
- ◆ The causal connections between IRs and SO are reasonable



### **EXAMPLES:**

**Criteria: SO is a result that the Mission can materially affect**

Poor Example	Good Example
Broad-based sustainable economic growth	Increased employment in the formal, off-farm private sector
Reduced population growth	Reduced fertility

## EXAMPLES:

**Criteria:** The causal connections between IRs and SO are reasonable

Poor Example		Good Example	
SO	Sustainable natural resource management practices adopted	SO	Sustainable natural resource management practices adopted
IR	New environmentally sustainable agricultural techniques developed	IR	National Environmental Action Plan laws and policies enacted and enforced
SO	Increased use of modern contraception	SO	Increased use of modern contraception
IR	Improved training of health care providers	IR	Increased availability of contraceptive services and commodities
SO	Increased off-farm employment	SO	Increased off-farm employment
IR	Increased citizen's skills for private sector development	IR	Increased number of formal private sector enterprises

## Four Major Functions of the RF

A Results Framework (defined as the RF graphic AND its accompanying narrative) could serve various functions in developing and guiding achievement of a USAID program (through planning, communicating, reporting, and managing for results). The table below presents and contrasts these complementary functions. Considering how well your draft RF serves these functions may affect the way in which it is formulated and how it may be used.

### RF as a Planning Tool

- ▶ identifies specific problems being addressed (the result of your problem analysis)
- ▶ shows important areas of engagement (current activities) and helps align these to desired results
- ▶ helps identify “what is missing” in your current program to achieve the SO (via a more complete development hypothesis, which will include partners’ IRS)
- ▶ depicts areas of USAID comparative advantage

### RF as a Communication Tool

- ▶ helps articulate the SOT’s shared vision and development hypothesis
- ▶ presents your development hypothesis in clear causal logic and language which effectively “tells the story”
- ▶ documents decisions made and priorities established - “why are we doing this”
- ▶ depicts areas of USAID and partner comparative advantage
- ▶ identifies key logical linkages between what you and others are trying to achieve
- ▶ clarifies shared responsibilities and the time frame for achievement
- ▶ provides a transparent medium to present the hypothesis and strategies with key stakeholders

### RF as a Reporting Tool

- ▶ outlines the basic “management contract” between the SOT, Senior Management and USAID/Washington
- ▶ serves to articulate the SOT’s vision and development hypothesis to USAID/W
- ▶ defines what the SOT is willing to be held accountable for
- ▶ identifies the key indicators on which the SOT will report progress in the R4
- ▶ identifies critical assumptions

### RF as a Management Tool

- ▶ serves “first and foremost” as a management tool for managers, as stated in the ADS<sup>1</sup>
- ▶ allows managers to refine the definition of specific IRS and their contribution to the development hypothesis
- ▶ helps to maintain results focus within the SOT and among its partners, as opposed to focus on inputs, outputs, or obligations
- ▶ justifies management decisions in terms of planning priorities and performance measurement data returns
- ▶ tracks progress made on addressing the key problems
- ▶ identifies specific areas for inquiry (program evaluation)
- ▶ provides a shared format for hypothesis “testing” and program modifications

## Difficulties in Formulating RFs

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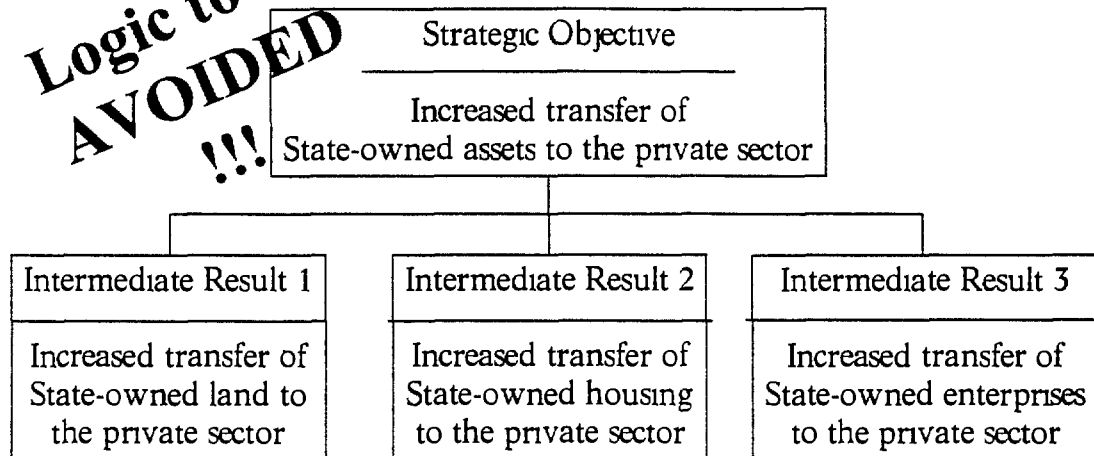
- ◆ Determining logical causality
  - ◆ Assuring sufficiency and allowing flexibility in the development strategy
  - ◆ Identifying RESULTS versus “activities,” “steps” or “means”
  - ◆ Critical Assumptions versus IRs
  - ◆ Limitation of using linear graphics to depict inter-related causes & effects
- 



*See further explanation of these five points on the next seven pages*

# Categorical or Definitional Linkages

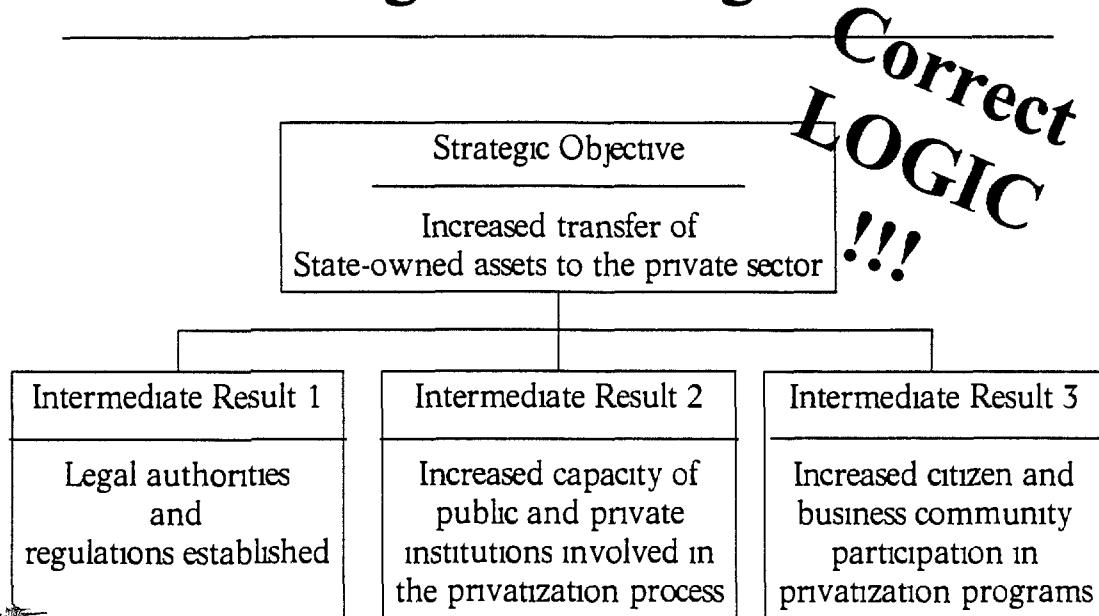
**Logic to be  
AVOIDED  
!!!**



Adding up the categories within an intervention does not usually describe the “cause and effect” relationships at the heart of the desired change. In other words, the sum of the parts of the desired change is not the same as the cause of the change.

Reliance on categorical or definitional linkages within your framework will create problems later in your program when you attempt to measure achievement of the results. You’ll note that you’ll end up measuring the exact same change (although in different degrees) on more than one level of the framework and this clearly implies logical inconsistency between “cause and effect”.

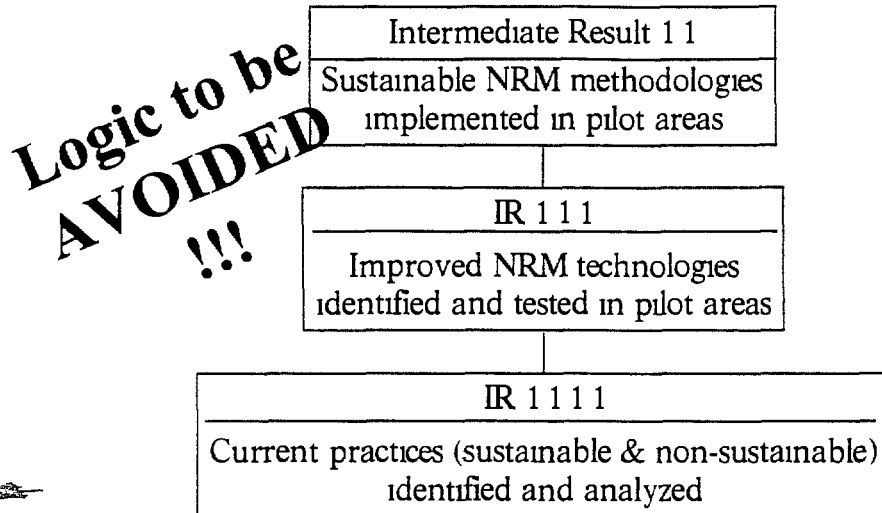
# Causal Logical Linkages



The basic “if then” logic seeks to identify all the necessary root causes of the desired developmental change

*For more examples of this logical inconsistency see page 26*

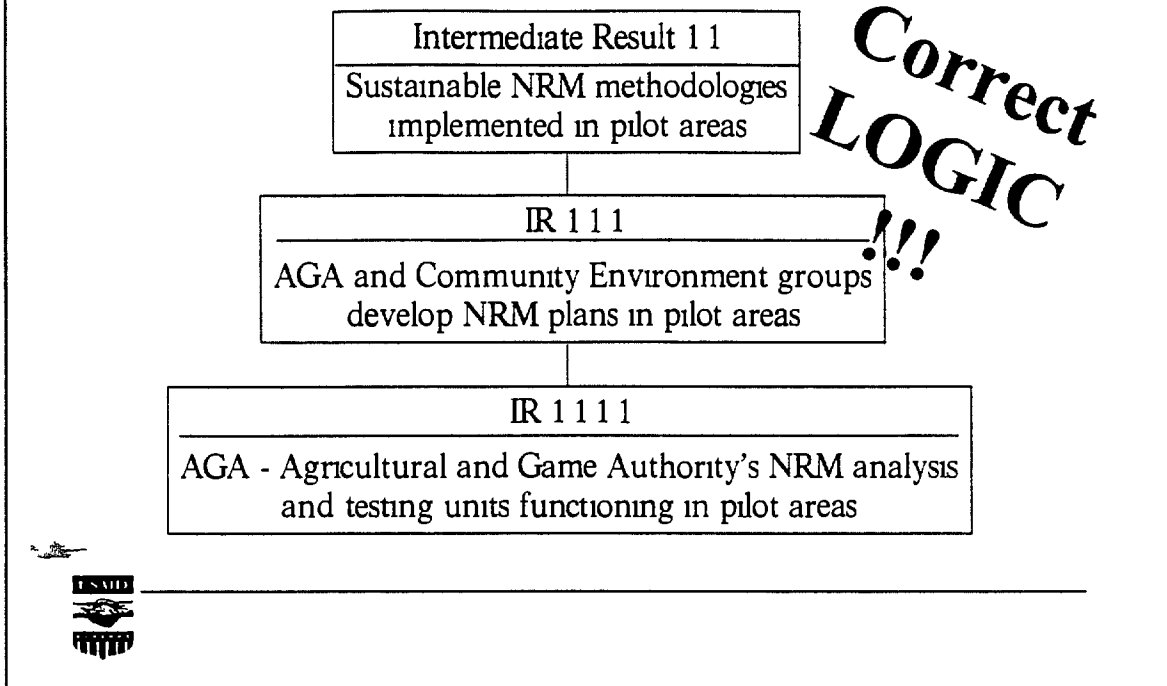
# Chronological Linkages



In some cases the “if then” logic of the RF plays out chronologically, be careful, however, not to confuse “if then” logic with the sequencing of implementation, e g , “what comes first, what comes second”

In the example above, it is clear that the planners understand the main technical steps leading to the implementation of NRM methodologies identifying and analyzing current practices, and then developing and testing new technologies However as a causal chain of results the example does not make it clear what specific problems or constraints the planners are trying to address to get to the key IR The two lower IRs are important steps in the process of arriving at IR 1 1 but they do not describe the specific causes that lead to this final effect

# Causal Logical Linkages



Here in this re-worked example, the intermediate results within the logical chain directly address specific root causes of the problem the AGA's weak local capacity in technical analysis and testing, and the lack of AGA and community coordination in implementing NRM methodologies. The specific logistical or chronological steps behind each of these IRs, while very important to understand for activity implementation, are not an essential part of the casual logic. In fact, chronologically speaking, it is quite possible that the activities to be conducted for IR 1 1 1 and IR 1 1 1 1 may be conducted concurrently.

## Sufficiency and Flexibility

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- ◆ Ensure that, at each level of the RF, you identify all the results which, if achieved, will be sufficient to cause the result on the next level
  - ◆ You may also identify results that reflect alternative strategies or innovative and supplementary approaches
  - ◆ Over time, as you work under your hypothesis, you may need to change strategies and therefore alter your IRs The RF should allow for flexibility
- 



The logic of your development hypothesis, and its depiction in the results framework, requires that you have identified ALL the contributing results sufficient to support your hypothesis. This will definitely require mapping out other partner's results (for which you are not responsible). Furthermore, the more thorough and specific you can be in determining all the contributing intermediate results, the stronger the logic of your hypothesis and the greater your chances of being able to manage your activities for the achievement of the strategic objective.

We recognize that due to the complex situations in which we work, planning and managing development activities is not an exact science. For this reason you may need to include in your program alternative or complementary strategies - sets of IRs - designed to secure or maximize your desired results. This implies including with your hypothesis sets of results that may constitute more than what might be considered "necessary" to achieve to next level of results.

In the past, including these “more than necessary” strategies within your strategic plan would have been considered insufficient “focus and concentration” within your program, this is no longer the case

An important aspect of “managing for results” is the need to constantly monitor or “test” the correctness and sufficiency of our development hypothesis to ensure the achievement of the strategic objective. The outcome of our monitoring may require making changes in our strategy. Therefore the RF should be conceived of as a management tool that is logical and flexible over time. Flexibility in implementing the development hypothesis might require

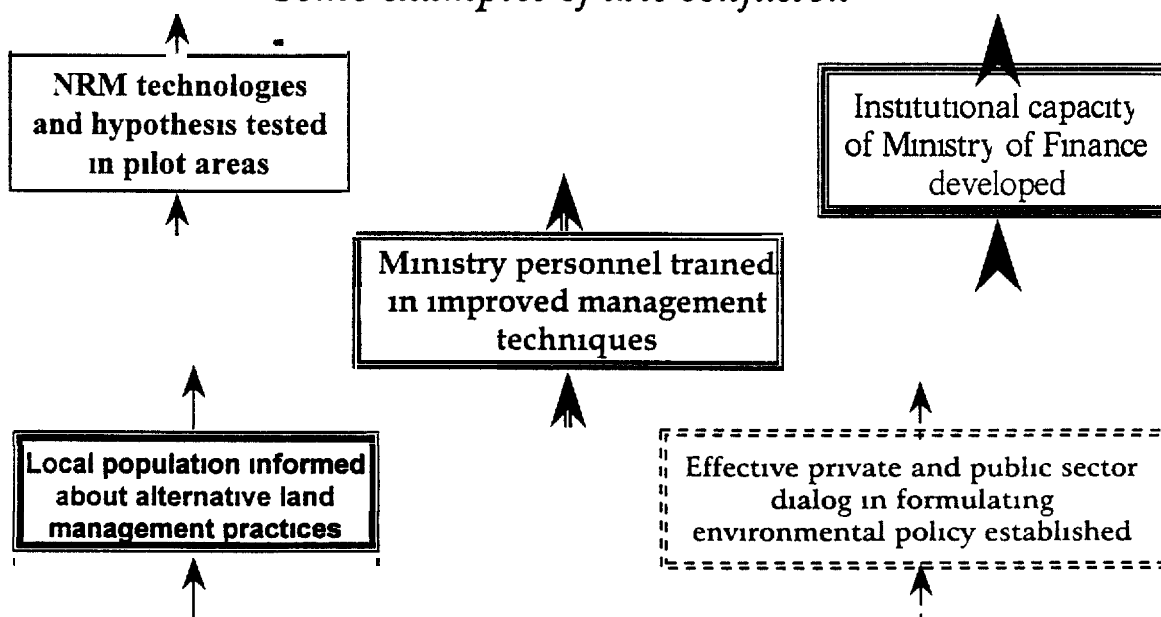
- ⇒ Having to take on some responsibility for partners’ IRs if you discover that they won’t be able to deliver the results as expected (this is another reason why it is important to include other people’s IRs in the RF and track them)
- ⇒ Changing or modifying parts of the strategy - sets of results - based on lessons-learned in implementing the program
- ⇒ Modifying the strategy due to significant changes in the status of the critical assumptions
- ⇒ Changing the strategy in response to changes in the development environment

## **“Activities”, “Steps” or “Means” versus RESULTS**

- ◆ Beware of confusing interventions with their desired end-result, e.g...
  - ❖ Policy reform & dialog  
—————→ improved environment
  - ❖ Training  
—————→ new skills/competencies
  - ❖ Institutional development  
—————→ improved services
  - ❖ Information dissemination  
—————→ informed decisions



### *Some examples of this confusion*



Each of these IRs could be better expressed in terms of their desired end results instead of the activities or processes leading to those results

## **Critical Assumptions versus IRs**

- ◆ Beware of logical “leaps” between IRs...
  - ❖ you may be overlooking several other significant intermediate results, for which you will need to take responsibility or for which partners are responsible
  - ❖ Critical Assumptions are external conditions that are necessary for the success of the strategy outlined in the results framework



The logical relationship between linked IRs should be clear and direct. The combined “cause and effect” linkages should effectively tell the story of how you intend to achieve the SO. An excellent test of your RF would be to give it to a reasonably educated person, who does not work in your sector, to see if that person could understand your hypothesis well enough to explain it to you in terms of the cause and effect linkages leading to achievement of the SO. Where there are “leaps” in the logic the cause and effect relationships will not be clear and direct. Sometimes these leaps are not so evident to technical experts who share the same set of assumptions, yet for management purposes it is important that all the contributing IRs be clear and explicit.

*On page 29 you will find “poor and good” examples of having unclear & clear causal connections*

*[Signature]*

\_\_\_\_\_

Critical assumptions    If the rains are better than average,  
  *and*  
  If the government changes in the  
  upcoming elections,  
  *and*  
  If tourism rebounds,  
  *then*  
  The achievement of our Intermediate  
Results will lead to achievement of the  
Strategic Objective

# Inter-related Causes & Effects

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Hierarchical frameworks best present linear relationships yet, in reality, many changes coincide and are inter-related. While the RF should help you make decisions about priorities (“why are we doing this?”) you should not be constricted into oversimplification of your hypothesis.

Be as creative as necessary !

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There is no required format for presentation of your RF, you simply need to find a format that is easily understandable to all the users of your plan

Be aware that some software packages being used to produce RFs were designed for creating organizational charts and these programs often impose limitations in presenting your graphic because they are linear and hierarchical

# Strategic Planning Checklist

- ◆ Are SOs/IRs stated as results? ☐
- ◆ Are results unidimensional? ☐
- ◆ Are they objectively verifiable? ☐
- ◆ Are the relationships between results causal, not definitional/categorical? ☐
- ◆ Are the how/why, if/then relationships direct, plausible and clear? ☐
- ◆ Are the SOs results which USAID programs and activities can materially affect? ☐
- ◆ Are the assumptions reasonable? ☐
- ◆ Do the IRs include partner as well as USAID-funded results? ☐



## Questions People May Ask about Your Strategic Plan

### 1 About your strategy

Is your strategy consistent with the agency's priorities as presented in the agency sustainable development strategies, implementation guidelines and strategic frameworks?

- ⇒ What choices did you make?
- ⇒ Why did you choose your areas of concentration (programmatic focus)?
- ⇒ Did your development partners and customers participate in the development of the plan? How?

How does what you propose relate to

- ⇒ national needs and priorities
- ⇒ activities of other development partners
- ⇒ prior USAID experience -- in the country and elsewhere in similar settings
- ⇒ USAID's comparative advantage?

- ⇒ Would you have a greater impact if you did fewer things, e.g., had fewer SOs?
- ⇒ Do you have the resources to manage a program of this magnitude, including human and financial? What would be the impact of funding at the lower level? How would the results be different?

## 2 About your strategic objectives

The SO is the most ambitious result that USAID, with its development partners, can materially affect in five years and for which it is willing to be held accountable. It forms the standard by which USAID is willing to be held responsible and should be linked to one Agency goal or objective. It is always expressed in terms of an end result or final impact.

Are the expected results at the SO level

- ⇒ **clear**
- ⇒ **objectively measurable** What are the performance indicators and data? (Are or when will baseline data be available, with what frequency will results data be available?)
- ⇒ **precise** What is the magnitude of the expected change, in what conditions, at what points in time, among what populations/institutions/or conditions?
- ⇒ **significant** Are these national, regional or other level changes?
- ⇒ **equitable (and people level)** How do they impact on the condition of men and women? How do they affect disadvantaged populations?
- ⇒ **feasible** Given experience and current development theory?

What are your assumptions for the achievement of these SOs? How will you monitor these assumptions?

What are the roles of your development partners?

## 3 About your results frameworks (for each SO)

- ⇒ What intermediate results (including those key results produced by other development partners) are necessary to achieve the strategic objective?
- ⇒ How will these be monitored (performance indicators and targets)? What are the underlying development hypotheses (cause and effect linkages)?
- ⇒ What are some (illustrative) approaches that USAID will use to achieve these results?
- ⇒ Are the approaches and activities proposed consistent with current development theory in that sector, experience in the country and/or elsewhere?
- ⇒ What are the estimated resources required to achieve these results?

*Harriett Destler, 9/27/95*

## Monitoring and Evaluating Performance

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To effectively manage for results, operating units must regularly collect, review and use information on their performance. Performance information plays a critical role in planning and management decisions.



**Program Performance Measurement Systems** are designed to provide limited performance information - using a few key performance **indicators** - for each Intermediate Result as well as the Strategic Objective. The reported progress, as indicated by these few measures, allows the managers to **monitor** what is being achieved over time in order to judge whether the development hypothesis and its accompanying activities are actually delivering the desired results. Therefore reliable performance measurement data are crucial to making important strategic decisions and managing for results.

Unfortunately basic performance measurement data do not tell the managers why certain results are being achieved or not. To get this information, which is often crucial for decision-making, teams may have to conduct **evaluations** that test their assumptions, the cause-and-effect linkages in their program and the emergence of new constraints within the development environment.

## **Monitoring and Evaluating Performance**

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Conduct reviews and evaluations at least once a year to assess performance against expected results and to monitor validity of critical assumptions.

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While performance reviews are to be conducted at least once a year, it is important to note that these reviews are not primarily for use or review by AID/W. The principal reason for the reviews is to provide operating units with performance information needed to better manage for results.

It also is important to understand that the need for (at least) annual performance reviews is based on best practices developed by the Agency and its operating units. These best practices clearly indicate that using performance data to inform management decisions is an essential part of the planning/achieving/monitoring & evaluation cycle.

## Participation in Performance Measurement

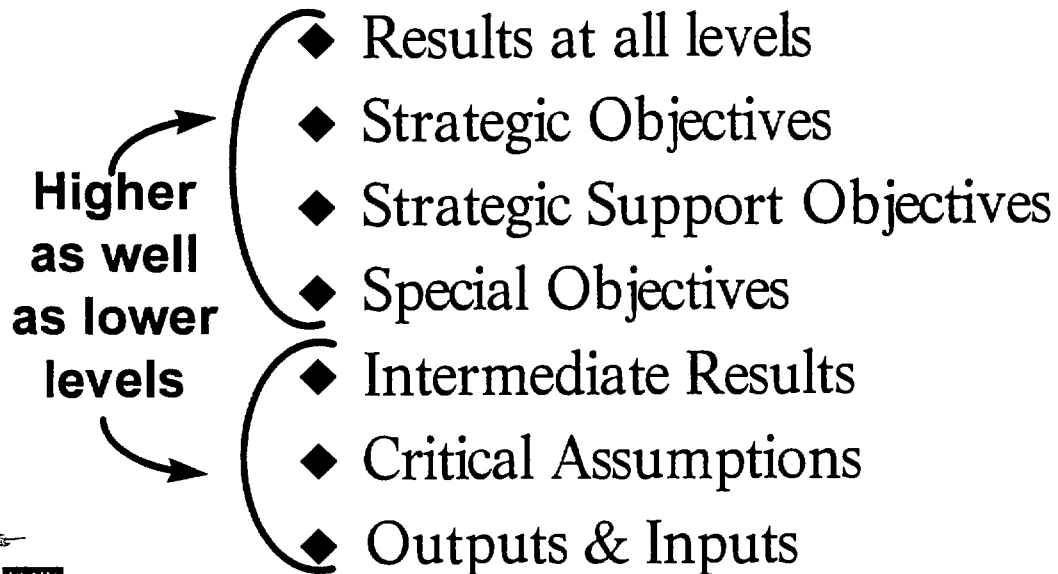
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- ◆ Performance reviews should include customers and partners when deemed appropriate by the operating unit
- ◆ Customers and partners should be included in planning performance measurement, and in
- ◆ Collecting and interpreting performance information



The strength of a performance measurement system is not in its ability to report on results but its ability to provide performance information which is used to manage for results. The “users” of this information include USAID, its partners and agents who implement its programs. Therefore an effective performance measurement system requires developing an understanding and agreement among the operating unit, its partners and agents as to what’s to be achieved, specifically what “achievement” will look like, and how will important performance management decisions will be made. Toward this end, teams are encouraged to actively include their partners and agents in the formulation of performance indicators and subsequent performance reviews conducted by the strategic objective team. In addition to benefiting USAID program performance, USAID’s partners and implementers might benefit from this involvement by deciding to adopt a performance measurement approach for their own organizations.

# What is to be monitored?



While performance reviews are required for all the areas mentioned above, operating units are only required to report to their bureaus on strategic objectives, special objectives and strategic support objectives. Despite the fact that operating units only report to Washington on their SOs and key IRs, they will want to carefully monitor the validity of their development hypothesis for which they will need performance information on the lower levels. Some of this internal monitoring and evaluation will be conducted by the Strategic Objective Team and other monitoring and evaluation (activity-level) will be the concern of the Results Package Team.

Internal monitoring and evaluation of intermediate results and activities may well lead the RPT and SOT to modify their tactics or even their broader development hypothesis. These data will also be useful should a change in any of the strategic-level objectives be planned by an operating unit, as it is possible that the bureau may ask for other relevant performance information before a change in the management contract is agreed to.

## *Frequency of collection of performance data -*

“E203 5 5 (4) Collection of Performance Data Frequency and Standards

Specific timeframes and standards shall be applied when collecting performance data

- a) For performance indicators Comparable data for all performance indicators of strategic objectives and USAID-funded intermediate results, as well as for strategic support objectives, shall be collected and reviewed on a regular basis (comparability refers to tracking a performance indicator over time, not to comparison across strategic objectives or operating units)
  - To the extent possible, some comparable data for each strategic objective strategic support objective and special objective shall be collected annually That is, where possible, shall be collected every year for each strategic objective, strategic support objective and special objective
  - To the extent possible, some comparable data for each USAID-funded intermediate results shall also be collected annually However, annual collection is not required until the point in time at which progress towards the intermediate results is anticipated to begin
  - For performance indicators for which annual data collection is not practical, operating units will collect data regularly, but at longer time intervals
  - To the extent possible, the principles described for performance indicators at the operating unit level shall be applied to the performance indicators of Agency goals and objectives

(Refer to Supplementary Reference 203 6 13 for additional information on collecting performance monitoring data )

- b) For critical assumptions and results supported by development partners The frequency of data collection, as well as the level of detail and degree of comparability of the data collected, shall be determined by the SO team The data collection process for monitoring critical assumptions and results supported by development partners s generally not expected to be as rigorous or systematic as the data collection process for monitoring performance indicator of SOs and USAID-funded results However, the information collected must be at a level of detail and quality that insures the SO Team has an accurate understanding of the progress being made toward each partner-supported intermediate result and whether each critical assumption continues to hold (refer to Supplementary Reference 203 6 10 for additional information on monitoring critical assumptions and non-USAID funded intermediate results )”

## *Identifying and selecting quality performance indicators*

### **SO's and IR's should...**

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- ◆ have at least one indicator through which to track performance
- ◆ each indicator will have a baseline and a target



The operating unit only reports to USAID/Washington on the performance indicators for the SO and the key IRs determined by the Strategic Objective Team. However, operating units will want to establish and monitor performance measures for lower-level results in order to manage for results. This lower-level monitoring might be delegated to Results Package Teams who would report occasionally to the Strategic Objective Team.

*Performance Indicators serve as barometers of program performance...*



*... and the quality of the indicators you use matters !*

# Performance Target and Baseline

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## ◆ Performance Target

- ❖ The specific intended results to be achieved within explicit timeframes, against which actual results will be compared and assessed

## ◆ Performance Baseline

- ❖ Value of an indicator at the beginning of (and/or prior trends to) a performance period, the baseline is used for comparison to measure progress toward a result



The **baseline measure** establishes the reference point for the start of the program period. In some cases, planners may want to go back several years to correctly portray the context in which progress will be made.

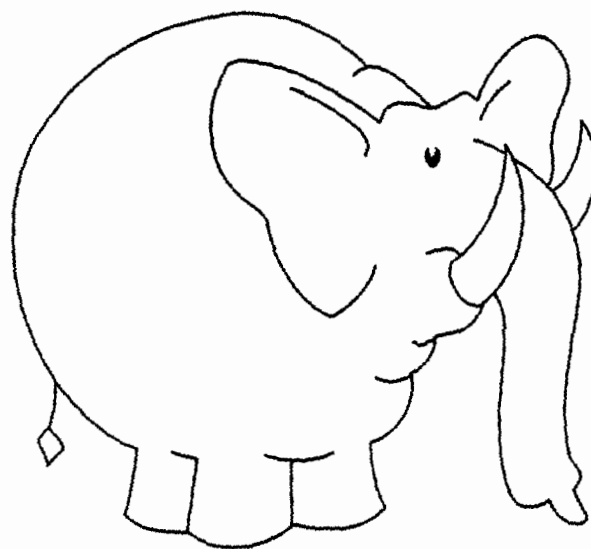
Specific **targets** are identified for each year (or measurement interval) of the program and it is against these targets that performance is judged.

## Strong Performance Indicators

- ◆ Direct ☐
- ◆ Objective ☐
- ◆ Unidimensional ☐
- ◆ Quantitative / Qualitative ☐
- ◆ Disaggregated (when useful) ☐
- ◆ Practical / Available ☐



From a reward notice  
posted in Uganda's Kibale  
National Park:



We are conducting an experiment to measure how far elephants carry seeds before dropping them out in their dung. To do this we have been marking some fruits in a number of different areas all over the Park with small yellow plastic numbered markers.

We are offering a reward to people who find the eaten markers in the elephant dung and who can take one of us to the exact location of the elephant dung each marker was found in. We would appreciate your efforts in helping us to retrieve these markers by taking the time to quickly look through each elephant dung pile that you encounter in your ordinary work or even during your off time.

## The performance indicators for a result should be . . .

### DIRECT

The measures should be straightforward and at the same levels of the results for which they have been developed. They should be grounded in theory and practice and represent acceptable measures to both proponents and skeptics.

Proxy indicators can be used when it is not practical to gather data for a direct indicator on a regular and timely basis. When proxies are used, they should be as directly related to the relevant results as possible.

### PRECISE

and framed in operational terms

### UNIDIMENSIONAL

An indicator should measure only one phenomenon so it can be clearly understood and useful for decision-makers.

### ADEQUATE

As a group, they measure the strategic objective or intermediate results effectively and efficiently.

### QUANTITATIVE

if possible, but

### QUALITATIVE

where necessary

### DISAGGREGATED

where appropriate, by gender, age, urban-rural, poor-non-poor, etc.

### PRACTICAL

The indicator should permit cost-effective collection of data on a timely basis, i.e. at a frequency that is consistent with management needs. Practical data are amenable to the collection of

READILY AVAILABLE DATA,

QUALITY DATA (data will be reliable and valid),

TIMELY DATA (data will be current and regular (generally, every 3-5 years for strategic objectives, every 1-2 years for key intermediate results),

COST-EFFECTIVE DATA (costs of data collection will be reasonable)

## Indicator Directness

- ◆ Indicators are direct measures of the SO or IR
- ◆ If direct indicators are not feasible, use credible proxy measures

2011



### EXAMPLES:

**Criteria:** Indicators are direct measures of the SO or IR

Good Examples	
SO	Increased non-traditional exports
Indicator	total dollar value of non-traditional exports
SO	Increased use of modern contraception
Indicator	modern contraceptive prevalence rate

# Why Use Proxy Indicators ?

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◆ Only use indirect measures (proxies) when data for direct indicators are not available or feasible to collect at regular intervals

◆ Examples...

- ❖ number of new tin roofs as a proxy measure of increased household income
- ❖ public confidence in the judiciary as a proxy measure of a more responsive democratic institution
- ❖ carpet wear and tear as a proxy measure of the popularity of a museum exhibit



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*See examples on the next page -*

## EXAMPLES:

**Criteria: If direct indicators are not feasible, the proxy measures used are strong**

Good Example	
IR	Increased transfer of environmentally sustainable farming practices
Direct Indicator	number/percentage of farmers using x number of specific environmentally sustainable practices
Proxy Indicator	number/percentage of farmers trained to use x number of specific environmentally sustainable practices, <i>or</i> amount of sales of equipment/materials required for use of specific environmentally sustainable practices

Poor Examples	
SO	Increased conservation of natural habitats
Indicator	number of park visitors
Indicator	percent of park costs met from private sources
IR	Increased use of environmentally sound agricultural practices
Indicator	rate of soil erosion
IR	Increased girls' access to education
Indicator	primary school enrollment rates total

# Indicator Precision

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- ◆ Indicators are framed in operational terms
- ◆ Indicators are unidimensional



## EXAMPLES:

### Criteria: Indicators are Framed in Operational Terms

Poor Example	Good Example
# of successful export firms	# or % of export firms experiencing an annual increase in revenues of at least 5%

*See more examples on the next page -*

## EXAMPLES:

Criteria: Indicators are unidimensional

Poor Examples	Good Examples
value of investment and revenues of export firms	<ul style="list-style-type: none"><li>- value of investment of export firms</li><li>- value of revenues of export firms</li></ul>
<ul style="list-style-type: none"><li>- literacy and primary school enrollment rates</li></ul>	<ul style="list-style-type: none"><li>- primary school enrollment rate</li><li>- literacy rate</li></ul>

# Indicator Adequacy

- ◆ Taken as a group, the indicators adequately measure the SO or IR (better, not more, indicators)



## EXAMPLES:

**Criteria:** Taken as a group, the indicators adequately measure the SO or IR

Poor Example	Good Example
Resource use policies and regulations passed and implemented - forestry laws passed and implemented	Resource use policies and regulations passed and implemented - forestry laws passed and implemented - legislation to increase number and size of protected areas passed and implemented - coastal management regulations implemented
Increased use of child survival services - vaccination rate	Increased use of child survival services - vaccination rate - Oral Rehydration Therapy use rate - Acute Respiratory Infection case management

## Disaggregating Performance Data

Disaggregate indicator data by:

- ◆ Sex
- ◆ Age
- ◆ Ethnicity
- ◆ Location (urban, rural, regional, etc)

whenever these distinctions could point to significant differences in measuring the **IMPACT** of your results



### EXAMPLE:

**Criteria: Indicators are Disaggregated Where Appropriate**

Poor Examples	Good Examples
SO Increase foreign exchange revenues	SO Increased agricultural production
IR. Increased tourism receipts ⇒ # of male tourists ⇒ # of female tourists	IR. Increased adoption of improved production technologies ⇒ # /% of male-headed farm households adopting improved technology ⇒ # /% of female-headed farm household adopting improved technologies

# Practicality ?

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Are the data associated with the selected indicator practical? Ask whether:

- ◆ Quality data are currently available
- ◆ The data can be procured on a regular and timely basis
- ◆ Primary data collection, when necessary, is feasible and cost-effective



## *BEWARE*

Printed data, like rumors, have the unfortunate property of gaining the appearance of reliability and respectability as they are successively quoted and go from hand to hand

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*The following six pages offer suggestions for low - cost methods of collecting primary data and ways to assess the usefulness of secondary data*

## DATA GATHERING TECHNIQUES FOR CONDUCTING RAPID, LOW-COST STUDIES

The most common data gathering techniques used in conducting rapid, low-cost studies are discussions with key informants, group interviews, guided interviews, observation, informal surveys, and rapid, non-random sample surveys. These techniques are described in greater detail below<sup>1</sup>

- 1 **Key informants** In the key informant method, the researcher seeks the desired information from a few people in a community or organization who, by virtue of their position and role, are knowledgeable about the phenomenon under study. Key informants are usually those who are better off, better educated, and more powerful (e.g., the village headman, local school teachers, or the head of the local women's organization). Although there are dangers of bias (which can be offset by also talking to the disadvantaged and less powerful members of the community), these individuals can provide valuable insights. This technique can be very useful, for example, in obtaining information concerning the following
  - Anticipated and unanticipated effects of program activities
  - Community-level constraints to effective implementation
- 2 **Group interviews** This social science technique brings together a small group of people for an extended discussion cued by a series of questions or discussion topics put forward by the investigator. This technique is also referred to as "focus group" interviews. The discussions usually last 30 minutes to 1 hour. A degree of rigor is imposed by conducting group interviews with both project participants and nonparticipants. One advantage of group interviews is that there is a tendency for mutual checking. That is, if one group member misrepresents certain topics, the rest of the group usually speaks up to correct any false impressions. A disadvantage is that sometimes a few individuals or special interests may dominate the discussion. The group interview technique can be useful in obtaining information concerning the following
  - Participants' perceptions of program benefits and equity
  - The degree to which certain program components are working out as planned
  - Community participation in and understanding of the program activities

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1 This section draws, in part, on two sources: Robert Chambers, "Shortcut Methods for Information Gathering for Rural Development Projects," Paper for World Bank Agriculture Sector Symposium, January 1980, and Daniel Santo Pietro (ed.), Evaluation Sourcebook for Private and Voluntary Organizations, American Council of Voluntary Agencies for Foreign Service, Inc., 1983.

3 **Guided interviews** In conducting guided interviews, the interviewer uses a checklist of questions as a flexible guide rather than a formal questionnaire. Not all points are raised in all interviews, but a composite picture usually emerges after several interviews. The checklist has been found to be an effective tool for quickly diagnosing farming problems and opportunities. It is a valuable technique for investigators with professional training but without extensive field experience. A drawback of this technique is the difficulty in organizing the data generated from these discussions. The guided interview can be useful in obtaining information such as the following:

- Farmers' perceptions, problems, and use of new technological packages
- Families' use and acceptance of family planning methods
- Families' use of health services
- Village/household acceptance and use of potable water installations

4 **Direct Observation** Observation is fundamental to the investigation of almost any phenomenon. Observation techniques involve viewing activities. Observations of program results or activities can be obtrusive (everyone knows why the evaluator is there) or unobtrusive (people are not told the real purpose of the visit). For evaluative purposes, observation must systematically try to answer specific questions. Evaluators need to agree on time (how much is adequate at each site?) and focus (what will be observed?).

Observation is useful for gaining insight into behavior. To obtain information on the sanitation practices of villagers, it may be more useful to observe (unobtrusively) whether soap is available in washing areas than to ask directly. A variation of this approach is called "**participant observation**". Observers participate in program activities and prepare regular reports on their perceptions. The advantages of observation are that it is easy to do, requires minimal preparation, and is useful in identifying unintended as well as intended activity-level results. A disadvantage is that the analysis depends heavily on the perceptiveness of observers and will be influenced by their biases. These deficiencies may be partly compensated for by carefully selecting a balanced team of observers.

Observation can be useful in obtaining information concerning the following:

- The nature and effectiveness of the implementation process
- Villager participation in program activities
- Farmer contributions to operation and maintenance

- 5 **Informal surveys**<sup>2</sup> Both quantitative and qualitative data can be gathered through informal surveys incorporating innovative features. There are two principal types of informal surveys

The first type is based on the use of **proxy indicators**. For example, to assess quality of life, a researcher may gather information on household roof and floor materials and quality rather than attempt to gather precise household income data. By using innovative indicators, the investigator tries to get a general idea of the situation without undertaking comprehensive surveys that directly measure standard indicators

Another promising approach<sup>3</sup>, which has already proven useful in farming systems research, can be termed "**informal, multi-disciplinary surveys**". In such surveys, a multi-disciplinary team (e.g., agronomists, economists, anthropologists) spends one to two weeks in the project area interviewing farmers and community leaders. Team members compare notes, exchange ideas, and write up their report. This mutual checking by all disciplines encourages accuracy and contributes to a broad-based, yet integrated perspective. In farming systems research programs, for example, this type of survey has been used to orient the research program, but it can also be used to identify on-farm changes that have taken place

- 6 **Rapid, non-random sample surveys** Rapid, non-random sample surveys are distinguished from random sample surveys in two ways. First, the number of variables is kept to a minimum. Only a few questions are asked, and an interview can usually be completed within five to ten minutes. Second, the norm of random sampling is abandoned in favor of a purposive sample which is deliberately kept small. Because the number of variables is limited and the sample size is small, the data can be quickly tabulated manually, thus facilitating rapid analysis

One distinctive advantage of these surveys is that they can generate quantitative data which can be statistically manipulated. Only sampling error cannot be estimated for them. Moreover, because of their smaller size, non-sampling errors remain low, which enhances the validity of findings. Non-random sample surveys are otherwise conducted like other surveys

Rapid, non-random sample surveys can be useful in providing information concerning the following

- Agricultural production levels and adoption of new technologies
- Use of and access to health services
- Irrigation Systems operation and maintenance

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2 The discussion of informal surveys and rapid, non random sample surveys is taken from Krishna Kumar, "Rapid, Low Cost Data Collection Methods for Project Design, Monitoring and Evaluation Outline of a Proposal," USAID, Center for Development Information and Evaluation, July 1985

3 Dr. Peter Hildebrand has developed and used this approach at the Instituto de Ciencia Tecnología Agrícola (ICTA) in Guatemala. (See "Summary of the Sondeo Methodology Used by ICTA," prepared for the Workshop on Rapid Rural Appraisal, 26-27 October, Institute of Development Studies, University of Sussex, 1979)

## Common Problems/Issues with Using Secondary Data

<i>Data validity and reliability</i>	The data do not reflect reality on the ground
<i>Data configuration and precision</i>	The data are not in a form which is useful to the manager/evaluator
<i>Timeliness</i>	The data are not available at intervals appropriate to the manager's/evaluator's needs
<i>Access - short and long term</i>	The manager/evaluator is not able to get and use the data throughout the duration of the program

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### 20 Questions to Ask When Assessing the Usefulness Secondary Data

#### General Questions which raise red flags and provide context

- 1) If similar data are available from other sources, are they consistent with the data under review, i.e., external consistency?
- 2) Are the data internally consistent, i.e., when summed, do subtotals equal totals, or, are there any large unexplained variations in the data from one period to the next? (Numerical errors raise questions of overall validity)
- 3) For what purpose and to answer what questions were the data originally collected?

#### Data Collection and Analysis

- 4) What method was used to originally collect the data (e.g., formal survey, observation, remote sensing, informal survey, interviews, self-reporting, etc.)?

**NOTE.** If data were collected by some method other than a formal survey, it is still important and appropriate to consider the representativeness of the data

*For Formal Surveys - When Probability Sampling is Used*

- 5) Did every unit (individual, household, firm) in the target population have an equal chance of being selected?  
Related to question #5
- 6) Is the sampling frame (i.e., the list of units in the target population) up to date?
- 7) Is the sampling frame comprehensive (and for area frames, are the geographic segments mutually exclusive)?
- 8) Is the procedure for drawing the sample truly random, including replacement (e.g., simple random, cluster, sequential - with non-ordered sampling frame, etc)?

*For Formal Surveys - When Probability Sampling is Not Used*

- 9) For data collected through self-reporting instruments (e.g., mail-in surveys) what proportion of the targeted units actually provided information?

*For Any Survey*

- 10) Were the enumerators well trained? How were they trained?  
Was there any candidate deselection or other quality control?  
Were the enumerators insiders or outsiders?
- 11) Was care taken to minimize the effect of the potential for personal bias the enumerators may bring to the exercise?  
(Were any of the survey questions "cooked" or leading to a certain type of response?)
- 12) Did incentives exist for respondents to provide incomplete or untruthful information, whether it be for economic/financial reason (taxes), social/cultural reasons, mistrust of the enumerator or because the respondent was trying to please the enumerator?

- 13) Were the questions in the survey/questionnaire clear, direct and easy to understand? (If you don't get to see the questionnaire to verify the questions you can't be sure of the quality of the responses )
- 14) For self-reporting instrument, were adequate instructions provided to the respondents? (This is a source of considerable survey error )
- 15) Were all units in the intended sample contacted and asked for information? If not, was there a systematic or non-random exclusion of units? (Without some reliable system the data will not be representative )
- 16) Were the raw data transferred, transcribed, organized and analyzed in a careful and appropriate manner? (Each time data are handled the chance for error increases )
- 17) Are the data currently in a form/format which will meet the needs of the manager or evaluator? If not, is it possible to reconfigure the data or get access to the raw data? (With access to the raw data, the analyst can possibly cross-reference data categories in order to test for validity and deepen the analysis )

#### Timeliness and Access

- 18) Does USAID have, or can it get, access to the data? Is it reasonable to expect continued access for the duration of the program?
- 19) How often are the data collected? Does this meet the needs of the manager or evaluator? (Is data collection consistent -- data collected differently can't be compared easily )
- 20) Is there any reason to believe the data will not continue to be collected in accordance with the planned schedule, e.g., the track record of anticipated institutional or budgetary changes?

## **Monitoring plans should include:**

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- ◆ Definition of each indicator and unit of measurement.
- ◆ Description of indicator data source.
- ◆ Method of data collection or calculation.
- ◆ Frequency and schedule of data collection.
- ◆ Team or individuals responsible for ensuring data availability at the operating unit.



The following seven pages provide a description and examples of a program performance monitoring plan. Although the examples used here are limited to the strategic objective and the first level of intermediate results, the same plan also can be used to monitor results at all levels. This plan is based on actual operating units' "best practices" and has proved useful in managing for results.

Such plans are for operating unit's management purposes and are not intended to be used for reporting nor as a substitute for the results-review portion of the R4. Performance measurement plans such as these would be indispensable to managers in helping them organize their data collection and monitoring efforts.

## Graphic Tools for Planning and Managing Performance Measurement Systems

The four tables contained in this section present examples of tools which can be used for planning, documenting and managing the performance measurement process. Included are tables depicting the performance measurement plan and data tracking at the levels of the strategic objective and key intermediate result. These tables are intended as models that operating units (Missions, Bureaus, et al ) can use in developing plans within their SO and RP team as well as with their partners and implementing agents.

Two sets of tables are provided here. The first set of examples (Tables A & B) illustrates a performance measurement plan.

- Table A Performance Measurement Plan for Strategic Objective 1 (*see page 72*)
- Table B Performance Measurement Plan for Intermediate Result 1.1 (*see page 74. For each key intermediate result the SOT or responsible RPT will want to generate a table like this one*)

The second set of tables (Tables C & D) illustrates the tracking of performance data for Tables A & B. These summarize key pieces of information about indicators, data sources, data collection methods, schedules and parties responsible for performance measurement tasks. These tables also provide as management tools for monitoring the performance measurement process.

- Table C Data for Strategic Objective 1 Baseline, Expected Results, and Actual Results (*see page 73*)
- Table D Data for Intermediate Result 1.1 Baseline, Expected Results, and Actual Results (*see page 75. Similarly, additional tables can be generated for tracking data on each key Intermediate Result*)

### Definitions

The following definitions describe the contents of the columns in the performance measurement and data tracking tables.

#### Tables A & B Performance Measurement Plans

Performance Indicator A performance indicator is a quantitative or qualitative dimension or scale to measure program results against a strategic objective or a program outcome. A performance indicator should be a precise, direct measure of the relevant objective, it should be practical (i.e., data are available or can be generated), and disaggregated (by gender, rural/urban, etc.) where possible and appropriate. If the objective being measured is focused and appropriately limited, only a few (or even only one) performance indicators are needed per strategic objective or program outcome.

Indicator Definition and Unit of Measurement These two items are combined into one column, but both aspects are important. State exactly what it is that's going to be measured. Picture yourself as an evaluation officer who comes in a few years later and needs to know exactly how to replicate the data collection. What, precisely, is the indicator, and what is the exact unit of measurement? What are the numerator and denominator for this indicator? For example, suppose the objective is to increase the practice of contraception. The rough indicator might be the "number of women who practice one or more forms of contraception on a regular basis." How do we define a "woman" here (age range, only women in union or all women, only women who live in certain geographical areas or in the entire country, etc.)? How do we define "forms of contraception"? What do we mean by "on a regular basis"? Are we looking only at the absolute number of women, or the number as a percentage of some whole (and if the latter, what is the whole)? We could use a completely different unit of measurement, e.g., instead of counting women who meet our criteria, we could count person-months of contraceptive use. Another example. If the indicator is something like "annual percentage increase in grain production," we need to define precisely what we mean by "grain production" (which grains, where, etc.) and we need to identify the precise unit of measurement, e.g., metric tons.

Data Source Exactly where will the mission get the data? From whom and through what mechanism (a report, a survey, etc.)? Will the data simply be extracted from an item on the monthly reports of extension agents to a coordinating office? Will the data come from a specific question on an annual survey of households, or from a quarterly report from the Ministry of Finance? Again, be as specific as possible. For instance, if the report has a number, give it, if a specific table in a report is the data source, provide this information also. Note that a box for "special" or "linkage" studies is not included. If a data source will be a special study, then the data that study will produce should be described here.

Method/Approach of Data Collection Think replication when filling out this column. How would a newcomer a few years from now know how to collect similar data? Are there any details that should be noted? If so, do so. This is useful not only for those collecting the data, but also for those interpreting them. While "Data Source" (the previous column) might provide the specifics of the source (e.g., Table 10.4 of the Ministry of Planning and Development's quadrennial report of its Rural Household Budget Survey), "Method/Approach" might provide details on the structure, interpretation, etc. of the data (e.g., the Rural Household Budget Survey is a national survey of a random sample of heads of households in all rural communities with less than 500 population). This column seems particularly relevant in those cases in which a special study is cited in the "Data Source" column. If you need more space for description, use a footnote and write in the Comments/Notes box at the bottom.

Data Acquisition by Mission Acquisition here refers to the actual arrival of the data in the Mission. Depending on the data source, this can mean one of two things: Mission staff themselves are responsible for collecting data at their source, or the Mission is receiving data collected by someone outside the Mission (government partners, NGOs, contractors, etc.). In either case, this column indicates who at the Mission is responsible for ensuring that data are actually available at the Mission, and how often and when those data are to come into the possession of Mission staff.

Data regularly available at Mission? Stated as a question, this column lets performance measurement managers know if the data referred to in the previous column are actually available for use at and by the Mission. Whether the data are to be collected directly by Mission staff or by people outside the Mission, the critical question here is, "Are the data available?" A simple "yes" in this column indicates that the Mission has begun to acquire data and can proceed to analysis and reporting. "No" provides a reminder for performance measurement managers to continue tracking this important activity to make sure data will be available on schedule.

Analysis and Reporting The last step before actually using performance measurement information is data analysis and reporting. The final column on this table simply indicates who is responsible for these tasks and when the various Mission reports are due. As is the case in the two previous columns, the analysis and reporting information allows managers to monitor progress in implementing the performance measurement plan.

Comments/Notes Use as you wish. This may be the place to document key assumptions being made in the choice of specific indicators and means of data collection, so that the next person will be able to understand.

## Tables C & D Data Tracking Forms

Baseline Data This column is rather self-evident, except for how one defines baseline data. One definition is as follows: data that reflect conditions immediately prior to the beginning of the strategic objective program (not necessarily the present). By "beginning," we mean when a majority of the elements of the program were in place (or, if it's a brand new program, will be in place). If that was three years ago, then the baseline data should be those data closest in time to three years ago. If the program is well underway and there are no baseline data, the baseline will have to be those data collected as soon as possible in the near future. If this is the case, it should be clearly noted.

Expected and Actual Results This column reflects progress in achieving results over time by comparing

## Program Performance Case Examples

**TABLE A PERFORMANCE MEASUREMENT PLAN FOR STRATEGIC OBJECTIVE NO 1 (an illustration)**

PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	DATA SOURCE	METHOD/ APPROACH OF DATA COLLECTION	DATA ACQUISITION BY MISSION		DATA REGULARLY AVAILABLE AT MISSION?	ANALYSIS & REPORTING	
				SCHEDULE/ FREQUENCY	RESPONSIBLE OFFICE		SCHEDULE BY REPORT	RESPONSIBLE OFFICE
STRATEGIC OBJECTIVE 1 Increased private sector non-traditional exports								
1 \$ value of non traditional exports	Definition All exports except gold, cocoa, electricity and round logs  Unit \$ in millions	Government Export Promotion Council (GEPC), Trade & Investment Monitoring Unit (TIMU)	GEPC collects the data monthly from Customs Department and aggregates the data annually for TIMU	Annual/ March	SO 1 team data analysts	Yes	R 4	SO 1 team
2 Non traditional exports as a % of total exports	Definition Value of total non traditional exports divided by the value of all exports  Unit %	GEPC/TIMU	GEPC collects the data monthly from Customs Department and aggregates the data annually for TIMU	Annual/ March	SO 1 team data analysts	Yes	R 4	SO 1 team
COMMENTS/ NOTES								

**TABLE B PERFORMANCE MEASUREMENT PLAN FOR INTERMEDIATE RESULT 1 1 (an illustration)**

PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	DATA SOURCE	METHOD/ APPROACH OF DATA COLLECTION	DATA ACQUISITION BY MISSION		DATA REGULARLY AVAILABLE AT MISSION?	ANALYSIS & REPORTING	
				SCHEDULE/ FREQUENCY	RESPONSIBLE OFFICE		SCHEDULE BY REPORT	RESPONSIBLE OFFICE
INTERMEDIATE RESULT 1 1 Improved infrastructure needed for export expansion								
1 Kilometers of feeder roads rehabilitated	Definition Feeder roads rehabilitated in selected export producing areas  Unit Cumulative number of kilometers	Monthly Progress Report from Department of Feeder Roads Road Maintenance Management System		Annual/ June	Infrastructure Results Package Team (RPT) data analyst	Yes	R 4  SO 1 team semi annual internal review	Infrastructure Results Package Team (RPT)
2 Kilometers of feeder roads maintained	Definition Cumulative kilometers of feeder roads that are maintained  Unit Numbers of kilometers	Monthly Progress Report from Department of Feeder Roads Road Maintenance Management System		Annual/ June	Infrastructure RPT data analyst	Yes	R 4  SO 1 team semi annual internal review	Infrastructure RPT
3 Domestic resource costs (DRC) at wholesale level for yams peppers pineapple cassava and plantain	Definition Cost of inputs to produce X product locally divided by average cost of inputs to produce X product on the international market  Unit Index	Special study	Coefficients will be determined by averaging the DRC estimates at the wholesale level on specific road corridors in four regions	Annual/ July	SO 1 team data analysts	Yes		Infrastructure RPT, SO 1 team
COMMENTS/ NOTES								
The number of contractors trained was dropped as an indicator because it was determined to be an input to road maintenance and rehabilitation Also, Indicator 3 is a measurement of the affect of the achievement of Intermediate Result 1 1								

**TABLE C DATA FOR STRATEGIC OBJECTIVE 1 BASELINE, EXPECTED RESULTS, AND ACTUAL RESULTS  
(an illustration)**

PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		EXPECTED AND ACTUAL RESULTS									
				1991	1992	1993		1994		1995		1996	
		YEAR	VALUE	ACTUAL	ACTUAL	EXP ED	ACTUAL	LXP ED	ACTUAL	EXP ED	ACTUAL	EXP ED	ACTUAL
STRATEGIC OBJECTIVE 1 Increased private sector non-traditional exports													
1 \$ value of non traditional exports	Definition All exports except gold, cocoa, electricity and round logs  Unit \$ in millions	1990	62.3	62.6	68.4	75	NA	95		130		180	
2 Non traditional exports as % of total exports	Definition Value of total non traditional exports divided by the value of all exports  Unit %	1990	6.9	6.3	6.9	7.4	NA	8.0		10.1		12.9	
Comments/Notes													

**TABLE D DATA FOR IR 1 1 BASELINE, EXPECTED RESULTS, AND ACTUAL RESULTS (an illustration)**

PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		EXPECTED AND ACTUAL RESULTS									
				1991	1992	1993		1994		1995		1996	
		YEAR	VALUE	ACTUAL	ACTUAL	EXP ED	ACTUAL	EXP ED	ACTUAL	EXP ED	ACTUAL	EXP ED	ACTUAL
INTERMEDIATE RESULT 1 1 Improved infrastructure needed for export expansion													
1 Kilometers of feeder roads rehabilitated	Definition Feeder roads rehabilitated in selected export producing areas  Unit Cumulative number of kilometers	1989	301	876	1034	1514	NA	1999		2484			
2 Kilometers of feeder roads maintained	Definition Cumulative kilometers of feeder roads that are maintained  Unit Numbers of kilometers	1989	1070	1400	2000	4900	NA	6100		7300		8500	
3 Domestic resource costs at wholesale level for  yams peppers pineapple cassava plantain	Definition Cost of inputs to produce X product locally divided by average cost of inputs to produce X product on the international market  Unit Index	1992	59 76 90 1 78 85	NA NA NA NA NA	59 76 90 1 78 85	56 75 84 1 70 84	58 76 68 1 48 80	50 72 69 1 46 80		50 72 69 1 46 80		50 72 69 1 46 80	
Comments/Notes													

48 52

## **Are Evaluations Required?**

Evaluations are not required as a matter of formality. If they will serve no management need, evaluations should not be conducted.



Performance monitoring will indicate whether progress is being made toward achieving results. Evaluations, on the other hand, are essential in answering WHY such progress has or has not been made.

Evaluation information is critical for management decisions, and for this reason evaluations -- while not required -- should be conducted whenever necessary to inform the team's critical strategic and management decisions.

### **Evaluations are...**

- ◆ driven by management needs
- ◆ integrated with performance monitoring systems



# Who decides when to evaluate?

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SO teams and RP teams,  
in consultation with:

- ◆ Partners
- ◆ Customers
- ◆ Operating unit senior management



While partners and customers are to be included in deciding when to conduct an evaluation, it is up to SO teams to determine which customers and partners to bring into the decision-making process, and how and to what extent to include them

Illustrative evaluation “triggers” could be

- ✓ Monitoring indicates an unexpected (positive or negative) result
- ✓ A key management decision must be made about the direction of an activity/result, but there is inadequate information to guide the decision
- ✓ Annual (or periodic reviews) within the operating unit or the host country identify key questions to be resolved or questions on which consensus must be developed
- ✓ Formal or informal feedback from partners or other informed observers suggests that implementation is not going well or is not meeting the needs of intended customers
- ✓ There is a breakdown in a critical assumption or intermediate result supported by another donor
- ✓ An operating unit believes extracting key lessons learned or documenting experience is important for the benefit of other operating units or for future programming in the same country

# Reporting

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- ◆ When to report? - Once a year
- ◆ To whom? - USAID/  
Washington regional bureaus
- ◆ On What? - Progress in  
achieving strategic objectives
- ◆ How? - Through the R4<sup>\*</sup>



Operating units within USAID Washington shall report to their respective central bureau (these include the Bureau for Policy and Program Coordination (USAID/PPC), the Bureau for Management (USAID/M), the Global Bureau (USAID/G), and the Bureau for Humanitarian Response (USAID/BHR))

Operating units within regional bureaus report to their respective regional bureau

While the R4 is to be submitted once a year, some bureaus might ask that operating units submit the results-review portion of the R4 before submitting the resource-request portion of the R4. Such a decision should be made in consultation with an operating unit's respective bureau.

\* R4 = Results Review & Resource Request

*for more on this see the next page*

# Requirements

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It is intended that the R4 be the only formal requirement for performance reporting by operating units to USAID/Washington



- ⇒ Future allocation of funds will be tied to results
- ⇒ Missions need to think carefully about spending money on activities that are not achieving results
- ⇒ In order to maximize results, missions will have the authority to shift funds within each Strategic Objective

## **Results Review & Resource Request (R4)**

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- ◆ Annual review of progress
- ◆ Request for resources - 2 years
- ◆ Comparison of results versus targets
- ◆ Lays out next year's milestones



## **The R4 must include:**

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- Factors affecting program performance
  - ◆ Progress toward achieving strategic objectives.
  - ◆ Status of management contract
  - ◆ Resource requirements
- 



### **Factors affecting program performance**

- progress in the overall program, i.e. goals, subgoals or other broad programmatic issues

### **Progress toward strategic (and other) objectives**

- summary of data on progress toward achieving SOs, including data on intermediate results where appropriate
- analysis of these data
- evidence that USAID activities are making a significant contribution to achievement of the SO
- expected progress for the next year

### **Status of the management contract**

- proposals for change/refinements at the SO level, if necessary
- special concerns or issues, including discussions of how the customer influenced the operating unit's assessment of progress and possible changes in the strategic plan
- updated list of G and/or BHR activities in country

### **Resource requirements**

- program funding request by SO, and OE (operating expenses), staffing, technical support from AID/W, and program development and support (PD&S) funding

## Results Package

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The basic managerial concept through which USAID may organize and execute work to achieve results within a specified time and budget



### A Results Package is...

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- ◆ Powerful, dynamic, flexible
- ◆ Free of organizational barriers and lines
- ◆ Focused around a result, not mechanisms to accomplish the result



In short, a results package (RP) includes whatever it will take to achieve a specific result or set of results. This will include activities supported by the authorities and resources necessary to conduct everyday management tasks in a timely manner.

The ADS section 202.6.7 describes the characteristics of results packages

“Strategic objective teams create, modify and terminate results packages as required to meet changing circumstances pursuant to the achievement of the strategic objective. Thus, typically a results package will be of shorter duration than its associated strategic objective. Some of the characteristics of results packages include specification of

- One or more results from the results framework which personnel assigned to the results package are tasked with producing,
- The set of activities and their respective agreements with USAID development partners and customers designed to achieve one or more results from the results framework,
- How activities will achieve the intended results including linkages between USAID, intermediaries and ultimate customers,
- Personnel, including appropriate USAID staff and representative of partners and customer, with the knowledge and capacity needed to deliver the specified result(s),
- Responsibilities and authorities clearly defined with respect to the personnel assigned to the results package,
- Funding from USAID and partner organizations sufficient to carry out the activities required to deliver the specified results, and
- Information on the elements identified above as well as how performance will be monitored and measured, current plans and status of activities and results achievement, agreements signed, implementation letters and other relevant correspondence, any analysis performed preceding, during or after completion of activities, and other documents related to key decisions the assigned personnel make in carrying out their responsibilities”

The creation of several RPs within an RF is not required under the ADS guidance. An SO team (SOT) could elect to have only one RP, which would essentially be synonymous with its RF. This might be the case where an SOT's program was quite limited in terms of the magnitude of results to be achieved, therefore implying a very moderate management burden. In such a case, the full SOT would be responsible to strategic management as well as activity implementation and would therefore meet frequently to make all levels of management decisions necessary to advance the program.

In contrast to having one RP, an SOT could choose to create an RP for each and every IR in their RF, each RP consisting of one result. The clear disadvantage of this approach is that it would do little to render the RF more manageable.

In most cases however, SOTs elect to form two or more RPs, each made up of a small set of IRs. Usually these SOTs form smaller management teams that are held responsible for planning, managing and achieving their specific set of IRs within the RP. This sub-team of the SOT is normally referred to as an RP team (RPT).

In principle each RPT shares accountability with the larger SOT for achieving their part of the RF. In the best case scenario, the SOT retains authority over strategic-level decisions while it delegates authority to the RPT for making the everyday management decisions necessary to achieve the RP. Some missions have generated Mission Orders relative to this level of delegation of authority, others have had SOTs and RPTs develop detailed team charters, and others have opted for this to happen informally within SOTs.

**At a minimum a Results Package  
includes an association of...**

---

- ◆ **Results, and**
- ◆ **related Activities**

**which make good sense  
for managing for results**

---



# RFs versus RPs

Note that an RF and an RP are very different sorts of tools. While an RF is by definition about the causality of a program's set of results an RP is a management unit intended help SOTs manage their resources effectively in order to achieve results. What binds a set of results together in an RF is their causal relationships, while what associates a set of IRs together into an RP is common sense in management. The right association of IRs into well thought-out RPs can offer the SOT considerable value-added in terms of efficiencies or synergies toward the effective management of the program.

The key elements to consider when determining the best formulation of RPs are

- the size and ambitiousness of the program (the degree of management burden required to achieve the IRs and SO),
- the number and respective expertise of available team members (including both USAID employees and non-USAID team members),
- the "maturity" of the program and that of the SO team (meaning, is the program already well underway or is it in start-up phase? Similarly, is the team very new or have responsibilities already been well-established and balanced among the membership?)

The consideration of these "common sense" factors will lead the SOT to make preliminary decisions about the general parameters of how many RPs are necessary to achieve the SO and whether are the over-riding management issues which need to be addressed in the process.

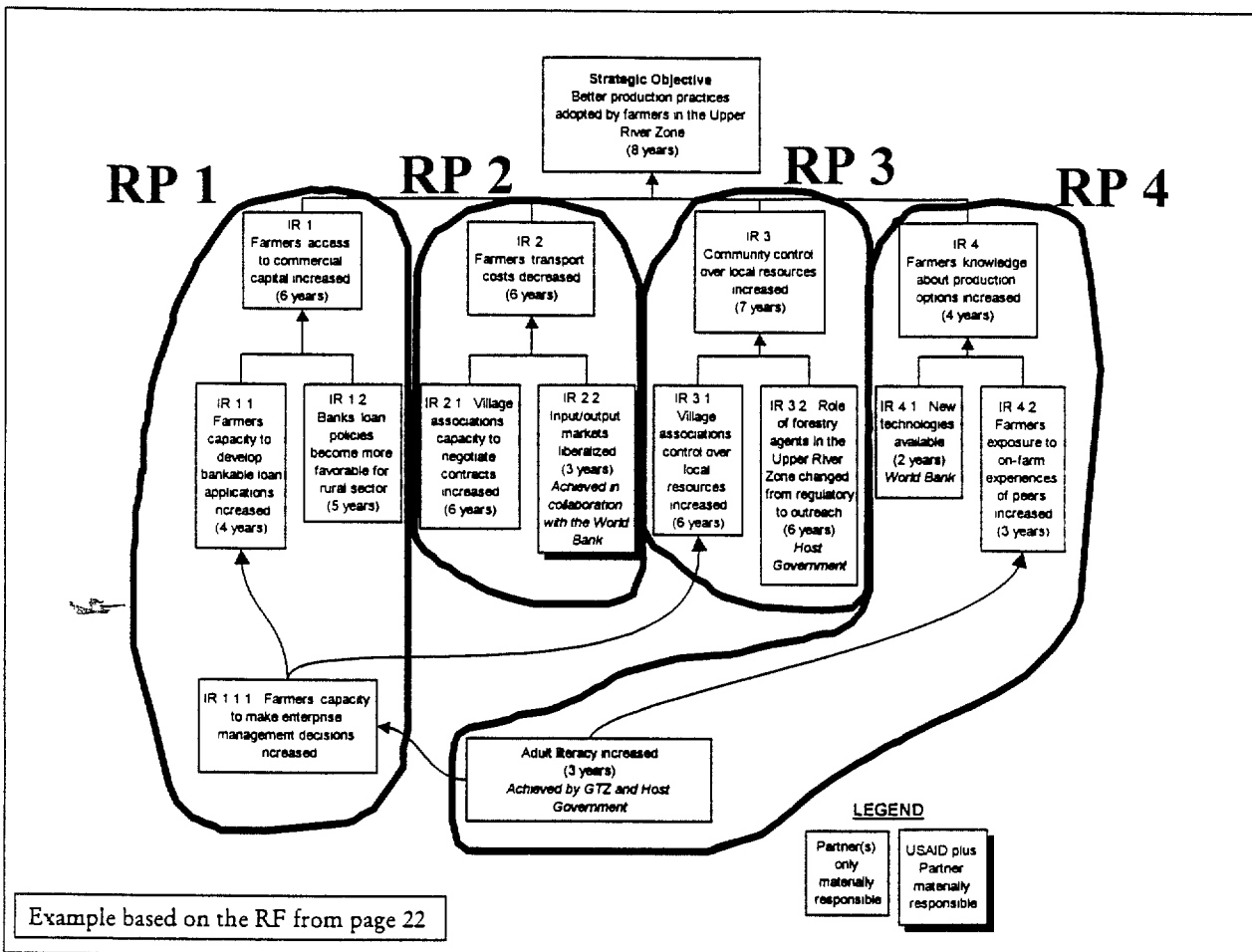
These decisions made, the SOT can then choose among a variety of rationales in associating grouping of IRs into RPs. Two possible rationales are discussed in the article "Implementation under the New Operations Systems" starting on page 92 (*see the section of the article entitled "Results Packages: How are they formed"*)

To summarize the two rationales, an SOT could decide to divide up their RF into management units (RPs) based

- 1 on the fundamental causality portrayed in the RF, or
- 2 on necessities or opportunities for better management efficiency and synergy

Descriptions of each approach follow on the next five pages

## *Forming RPs based on causal connections within the RF...*

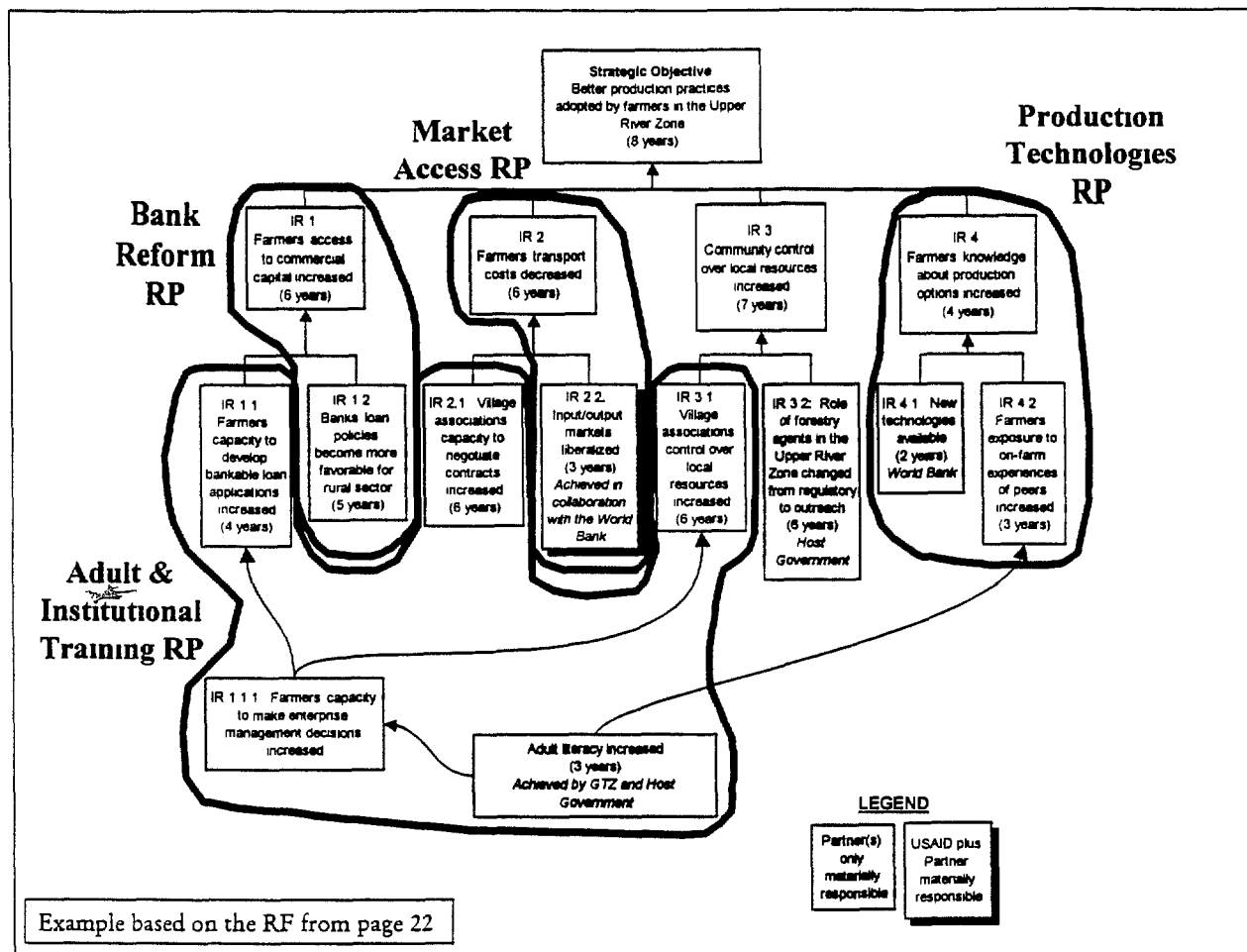


The causal approach would mean that logical “branches” or sections of the IRs within the RF would be split into RPs. The advantages of this approach is that it is very simple to describe in terms of the RF graphic, that it may allow for an RP team to take responsibility for a entire program component, and that it will often coincide with the hierarchical divisions within existing technical office

Possible disadvantages to this approach are that

- this “component” approach may end up being divisive to the effective coordination of results and overall teamwork within the program,
- it may may also be contrary to the desire to balance the management burden of the program across RPs in that the causal sections or “branches” of an RF seldom represent equivalent amounts of work

## *Forming RPs based on opportunities for synergies or efficiencies...*



The second rationale for forming RPs looks for management efficiencies or synergies by associating IRs into RPs based on commonalities or common needs within results themselves. For instance in the example above all the IRs that require training have been grouped into an RP thereby assuring efficiency use of training resources and synergy across the program in terms of training inputs. The various commonalities that an SOT could look at to form RPs are presented on the next three pages.

Possible disadvantages to this approach are that

- it requires that the SOT takes a vigorous and proactive role in assuring that the RP teams are effectively coordinating with each other,
- it may necessitate changes in project structures that pre-date the strategic planning process and which require contract amendments to re-orient them toward better managing for the results as portrayed in the RF

*Looking for management efficiencies or  
programmatic synergies*

**The association of IRs into  
Results Packages might be  
based on commonalities of...**

- ◆ Personnel or technical competence,  
be it:
  - ❖ USAID SO team members or  
activity managers
  - ❖ Partners and Intermediaries
  - ❖ Intermediate customers
  - ❖ Other implementers

*OR...*



**RPs might be associated by  
commonalities of...**

- ◆ Need to include specific, special  
authorities within the RP team,  
e.g. Embassy involvement
- ◆ Policy reform interests
- ◆ Management issues, e.g.  
institutional development

*OR...*



## **RPs might be associated by commonalities of...**

- ◆ Need to include specific, special authorities within the RP team, e.g. Embassy involvement
- ◆ Policy reform interests
- ◆ Management issues, e.g. institutional development



*OR...*

## **Other commonalities for RP formulation might also include...**

- ◆ Funding mechanisms:
  - ❖ grants, contracts
  - ❖ special short-term or other donor sources
- ◆ Specific performance data needs or sources



*OR...*

## **Other commonalities for RP formulation might also include...**

### **◆ Funding mechanisms:**

- ❖ grants, contracts
- ❖ special short-term or other donor sources

### **◆ Specific performance data needs or sources**



### *What does this mean for USAID's partners?*

As USAID's partners are often the key implementers of its program they will need to be integrally involved in the development of Results Packages. This may include deciding how the RPs are formed based on the approved RF. Partners input will also be essential to identification of what activities will be required to achieve the set of IRs identified with the RP. In some cases, partners could be delegated the achievement of a whole RP although usually the RPT will include USAID staff in addition to implementing partners and agents.

**Is "RESULTS PACKAGE"  
just another way of saying  
"PROJECT"?**

Choose one

- (a) yes
- (b) maybe
- (c) NO"



A results package is NOT,  
repeat NOT, a project

A key distinction between the  
two is that in a results package  
the focus is on the end, i.e., the  
result, while in a project, too  
often the focus is on the means,  
i.e., the mechanisms being  
implemented

**What an RP is NOT**

- A grouping of activities or existing projects without very explicit and causal linkages to specific IRs
- Synonymous with a large multi-component institutional contract. It is conceivable however that the separate components, in so much as they are sets of associated results, could form the basis of RPs. One implication of "managing for results" is that the oversight of large institutional projects may need to be divided up according to RPTs
- The set of all the new activities that fall under an SO where there is no clear association either in terms of results causality or associated tactics. A recent example of this was a draft RP document which contained descriptions for the ensemble for over 20 activities that a particular SOT wanted to obligate. The rationale for the RP was "all our new activities". Many of the activities bore no specific relation to each other
- The exact same thing as the old Project Paper (PP). Firstly, an RP is explicitly related to the SOT's strategic plan and comprises elements from their development hypothesis and RF. Therefore RPs include program-level linkages, not just project-level activities. Secondly, the development of RPs is an essential management function internal to SOT, not the product of an external analysis as was often the case with PPs. Thirdly, RPs are to be formed and approved internally within the SOT, unlike PP which required Washington or senior management approval

**An RP is a cohesive management concept, not simply an obligating document.**

**A preliminary step:** Before attempting to form Results Packages the SOT will need to ensure that their approved RF is really operational. Very often the approved RF may be one that serves adequately for strategic planning or performance reporting purposes without being sufficiently detailed to serve as a functional management tool. Fortunately the RF is not intended to be a static document, so occasional modification will be necessary and desirable. To render the RF more readily operational the team may need to disaggregate the IRs into a larger set of specific contributing results that would be the effect of one or two specific activities, activities that would be contained within a RP.

**While forming RPs** the SOT may want to ask the following questions

## RP Formation Checklist

- ◆ Are specific results designated for each RP? ☐
- ◆ Is there a clear relationship between the IRs within this RP and its ultimate and intermediate customers? ☐
- ◆ Are there sufficient numbers of team members to enable the formation of RPTs? ☐
- ◆ Does this configuration of RPs facilitate the clear delegation of authority and empowerment? ☐
- ◆ Is the set of IRs assigned to an RP something that is readily achievable by one RPT? ☐
- ◆ Do the RPT members have clear roles and responsibilities and are these understood by their hierarchical supervisor? ☐



## Implementation under the New Operations System

### 1 Results packages

- a With no projects, how do we organize and manage an operating unit's portfolio of activities?

USAID has used projects to perform various functions simultaneously

- to organize sets of activities with a common purpose,
- to provide a construct for the design, implementation, monitoring and documentation of those activities,
- to provide a basis on which we notify Congress about how we intend to use program funds, and
- to provide a basis on which we authorize the use of funds, and then obligate funds in part or whole, through host country bilateral agreements, grants, contracts, etc

A results package (RP) performs at least one of these functions, organizing sets of activities around intended results. Put differently, it is a way to organize the work we ~~must~~ do in order to achieve the results that are in the results framework for a strategic objective. In doing so, it provides a construct for the design, implementation, monitoring and documentation of those activities, but in a much less official and formal way than projects did. There are no required "results package papers", nor required analyses, nor an official approval process for results packages. They are controlled within the operating unit, and can be changed by the operating unit as necessary. They do not necessarily appear in the Agency's official budgeting and accounting system, although if an operating unit chooses, they can have budgets and receive funds. In sum, they are meant to be a management tool used to organize the work (regardless of funding source) necessary to achieve the results for which an operating unit has responsibility.

Results package is defined in the Automated Directives System (ADS) chapter 202 as consisting of "people, funding, authorities, activities and associated documentation required to achieve a specified result(s) within an established time frame." Later in that chapter, in section E202.5.4a, the following is listed as included in a results package:

- the set of activities designed to achieve the results in the results package,
- information or analysis required for the strategic objective team to approve activities,
- explanation of how activities will achieve the intended results, including linkages between USAID, intermediaries and ultimate customers,
- identification of personnel, including appropriate USAID staff and representatives of partners and customers, with the knowledge and capacity needed to deliver the specified result(s),

- identification of clearly defined responsibilities and authorities sufficient to ensure decisions can be made which are necessary to results achievement, consistent with Agency conflict of interest requirements,
- funding from USAID and partner organizations sufficient to carry out the activities required to deliver the specified results, and,
- a performance monitoring plan indicating how results will be monitored and measured

This is meant to convey that an RP is a management tool designed to maintain our focus on intended results while at the same time organizing the work necessary to achieve those results, and addresses one fault the project-based system displayed, and that is that activities could take on a life of their own, independent of the overall objective which was their original reason for being. In addition, the move away from the project-based system is intended to provide greater flexibility and to locate authority over design and implementation decisions at the same level as responsibility for achieving results.

But what about all those components of a results package? One frequently made comment has been that it sounds a lot like what we put into projects. (If it walks like a duck, talks like a duck, and looks like a duck, it probably is a duck.) RPs will have some similarities to projects because we will continue to do much of our work through grants and contracts and there is similar (though not always identical) work to putting those together and then managing them. So, we still have sets of activities, we still need to do some analysis to make sure we have the right set of activities, we need to be able to explain how what is being done will in fact achieve our intended results, and we need money to finance USAID activities. But RPs are less than projects in that many of the required procedures have been eliminated, and more than projects in that they are flexible management units which include the required skills and decision-making authorities necessary to manage the work, and include activities sponsored by other entities (host country, donors, NGOs, etc.) which are critical to the achievement of specific results.

Through the new management systems (NMS), the Agency's new set of management software, information will be available about the constituent parts of RPs (the results and activities they comprise, individuals involved in their management and their respective authorities, funding levels, and other associated documentation), but availability of information does not imply formal submission for review and approval. The information is available for use by team members, country development officers, managers in the field and in Washington, and whoever else has need (and authorized access). We also are working on ways to make at least some of this information available to the general public, through internet and country program home pages. That this information may be grouped by results package to some extent is inconsequential - even without RPs we would have results and associated activities, and much of the information which will be available will exist through linkages not with necessarily with results packages, but rather with specific results or specific activities.

The results package pulls the information together primarily for management purposes

#### **b Results Packages How are they formed?**

Technically RPs can exist only after there is an approved strategic objective with its associated results framework. However, as an operating unit is developing a results framework for a strategic objective, it will be thinking about what activities will be necessary to achieve the intermediate results in the framework. During this process, thought also will be given to how to organize the management of the activities, and this would be the beginning of defining individual RPs. Decisions about RPs would be made once the objective is approved, but RPs can be revised at any time by the operating unit without outside approvals. (Note that some changes to individual activities may require specific approvals, e.g., changes to grants and contracts or to activities which initially required Washington approval or concurrence.) In accordance with ADS chapter 202, the entire results framework for any one strategic objective may comprise one RP, or a framework may comprise two or more RPs. The number of RPs for any one framework depends on the complexity of the activities, the number of people involved in managing the work of the operating unit, and the management style of those involved with the work.

There are at least two ways RPs can be organized, one is on the basis of a set of the intermediate results which logically fit together, and the other is on the basis of some common characteristic or characteristics of the activities which will be used to achieve the results. In both of these approaches, the RP includes intermediate results and activities - it's just that in the first, you are using the results as the organizing principle, and in the second you are using similar activities as the organizing principle. Both approaches are appropriate under reengineering and both maintain a results-orientation because they always are grounded in the results framework.

For example, some operating units are organizing results packages around first level intermediate results in the results framework (what appears immediately below the strategic objective statement). They have selected a set of results that logically fit together, and those results along with their associated activities would form the results package. Other operating units are organizing RPs around similar activities which will be used to achieve a variety of results, so their RPs probably would cut across an individual results framework. An example of this would be where work with cooperatives is planned in order to achieve results in income generation, credit availability, and community organization. The cooperative work, along with its associated results, would comprise the RP. In this instance, because the activities are the primary focus, continuous attention to the associated results and parent results framework becomes particularly important.

Note that one activity does not necessarily equal one grant or contract. A grant or contract may receive funds through one or more activities.

### **c Results Packages How are they used?**

Once an RP has been established, it can take on various additional attributes which allow it to be used in different ways. As noted above, an RP consists of people, funding, authorities, activities and associated documentation required to achieve a specified result or set of results within an established time frame. In its application, an RP may be managed by an individual or a team, may have an overall budget or may have money allocated to it as activities are defined, and may incorporate through its manager or team members varying levels of authorities depending on the expertise and experience of the manager or team.

If it includes only one activity, say a grant or contract, or is relatively less management intensive, there may be only an RP manager who has a position on the strategic objective team and who meets other requirements of activity implementation (e.g., customer, partner and team participation) through the SO team. Or, the RP manager in this case may be the only operating unit employee on the RP team which brings together key partners and customer representatives. If, on the other hand, the RP includes a variety of activities designed to achieve a varied set of intermediate results, a more formal RP team probably would be established, perhaps with participation by various field staff in addition to customers, partners, and other USAID personnel as virtual team members.

Depending on circumstances, RP teams can be delegated various authorities and can be assigned budgets with or without activities already defined. Governing circumstances would include the level of experience and expertise of staff on the RP team, the nature of the work, and the general availability of funds. One objective of this new system for many in the Agency is to establish flexible management units within operating units which are fully responsible for, and have the authority over, the resources made available to achieve an agreed-to set of results within a specified time frame. This may mean also assigning an operating expense budget against the RP. The directives support this objective, although it may not be feasible in all cases at this time.

### **d How are RPs revised?**

The revision of RPs is an internal matter for each operating unit or for each strategic objective team. One reason why the RP concept has not been included in the Agency's official budgeting and accounting systems is so that operating units and SO teams can move quickly to restructure their organization of work without making changes in Agency-wide systems. The operations component of NMS will "document" what is in an RP, and therefore will capture changes to RPs, but this is for information purposes, not notification or approval purposes. The operating unit is responsible for

having procedures in place that govern how various changes are made and approved. At the moment there is no standard, Agency-wide procedure. Defining a procedure is both the responsibility of, and within the authority of, the operating unit, and can be delegated to S O teams.

While revising RPs is wholly flexible, revising RP components may involve other processes which are beyond the authority of the RP team, depending on its composition. For example, revising a grant or contract scope of work may be necessary to achieve specific results within the RP, but it may require contracting officer action. Also, revising some intermediate results may require consultation with the bureau's Washington offices if there are restrictions on changes to specific intermediate results stated in the management contract.

Here it is important to distinguish the RP itself from its components. The RP is an organizational and management tool. It combines results, activities, resources, etc., in order to accomplish the work necessary to achieve results. While the operating unit or its constituent teams may have authority over how RP components are organized and moved around for management purposes, specific restrictions (concerning procurement actions, changes to results frameworks, earmarks, etc.) may apply to changes in those components, and operating units must be aware of those restrictions.

#### **e How are RPs monitored and reviewed?**

RPs, as organizational and management tools, themselves may not be monitored and reviewed. What will be monitored and reviewed are the results included in the RPs, and, at least presumably within the respective RP or S O teams, implementation progress of the activities included in the RPs. Reports on results will be assembled annually for the Results Review (the first R2) process. There is no formal process for the reporting on implementation progress; a principle of reengineering is that we should be focusing on results, not individual activities being used to achieve those results. RP and S O teams, and probably many operating unit managers, will need to keep themselves informed about implementation progress, in particular as such monitoring will act as an early warning sign that results may not be achieved in a specific area. The operations component of NMS will capture activity implementation information for this purpose. There also may be evaluations of RPs to help guide the Agency, as a learning organization, about how to organize work to achieve results.

## **2 Current portfolios How are they transformed from project/program based to strategic objective and result package based?**

Operating units are expected to review their current portfolios and to associate each existing project (including NPA) with one of its strategic objectives. In the new operations system, programming, budgeting and accounting all are performed by

strategic objective. At this time, an ongoing project can relate to only one operating unit objective (strategic, support or special). In many cases entire existing projects will fit logically under individual objectives, given the trend within the Agency over the past few years to organize work by S O. However, it is understood that operating units may have individual projects which service more than one objective. For data migration of historical financial data, i.e., for moving existing MACS and FACS financial data, into AWACS, a project must be associated with one single objective. For new obligations under ongoing projects in FY96, we expect that operating units can associate those obligations with their respective objectives regardless of how the original project has been entered into AWACS.

As an example, an existing project which has a contract that services two different strategic objectives may be placed under only one of those objectives when pre-FY96 financial data is migrated into AWACS. However, when FY96 funds are allowed as an incremental obligation for the same contract those funds could be associated with their respective objectives and not only with the one objective which contains the project's (and contract's) historical data. This how we now expect the system to work, and an Agency notice on the subject is expected to be issued soon which will either confirm this along with more detail, or announce different procedures.

**3 Existing proags, grants and contracts** What is their status, and what do we do with them if changes are necessary?

The Agency does not intend to engage in large-scale deobligations and reobligations for portfolio alignment. While this may be an option in limited cases, it generally should not be necessary because already, as stated above, most projects have been designed in a way to support an individual operating unit strategic objective. What this means, however, is that the use of money obligated (but not yet expended) through any existing agreement, grant or contract continues to be governed by the respective obligating instrument. Thus, an operating unit may put into place a strategic objective agreement and include activities which fall under an existing project which has an associated project grant agreement. Funds already obligated for those activities under the original agreement must be expended in accordance with that agreement. As always, operating units may amend existing grant agreements within whatever legal constraints exist, so that they better conform with the respective strategic objective. Regional legal advisors should be consulted to determine the scope for such amendments.

Similarly, existing contracts and other grants continue to govern the use of funds obligated under their respective agreements, regardless of which strategic objective they are associated with. If amendments to these agreements are thought to be necessary so that funds can be better utilized to meet the requirements of the respective objective, contracting officers should be consulted.

- 4 **New activity designs and pre-obligation requirements** What are authorization, design and approval requirements, for those parts of our business formerly covered by authorizations and project papers?

a **How are operating units supposed to carry out the directives in section E202 5 7, Obligation and Sub-obligation of funds?**

Operating units are expected to have procedures in place to meet the requirements  
These procedures should

- 1 Assure program-responsible signatories (operating unit directors or their designees, AAs or their designees in Washington-managed programs) that the essential bases have been covered before they sign off to obligate, commit (through PIOs), or sub-obligate funds, and
- 2 Establish an audit trail on compliance and accountability with 611, Reg 16, and other legal or regulatory requirements

While Agency-wide procedures are not prescribed in the directives, suggested procedures are discussed here to guide operating units

The laws and basic regulations governing what we do have not changed, we are making changes in how we comply and when we do certain things in our operational mode  
Within any operating unit, each strategic objective or results package team may have a different level of delegated authority, depending on the competence of each team, including its virtual members

b **What are the key areas we should be concerned about?**

There are four content areas for assurance and audit trail

- 1 Applicable *statutory requirements*, e g checklist items [see Supplement 202 6 3 to ADS]
- 2 Applicable *design analyses* (technical, social, gender, financial, economic) [see Supplements 202 6 4a through 4d to ADS]
- 3 Applicable *implementation and performance planning* [see E202 5 5] when at the commitment or sub-obligating stage, if not covered elsewhere (e g in SO agreements or contracts)
- 4 Applicable *conditions precedent and/or covenants* on policy matters, environmental assessments, or other technical or financial conditionality

c If there's no agency-wide prescription for documenting these, what choices do we have?

Each operating unit's leadership team may draw from a variety of ways to determine how these are presented or documented. As mission experience builds up, we will share that widely. Attached is a **SO/Results Package/Activity Checklist** which units may find useful to adopt.

Some ideas include

- ❑ Prepare SO or RP team memoranda for the record that discuss or summarize requested or required analyses, checklists or relevant parts of checklists, provide or summarize conditionality, and identify where any of these that are summarized may be accessed in full
- ❑ Provide copies of key reports, like environmental assessments or social surveys - done by USAID, partners, or other donors- or keep them where they may be accessed in either a paper or electronic archive
- ❑ Prepare written summaries of review or planning meetings, workshops, or other events where pre-obligation plans and decisions are covered, that show who attended, what decisions were made, and allow participants to sign off on the report
- ❑ Teams (and mission management) conduct annual SO reviews, and include country and assistance checklists as part of such reviews
- ❑ Include reference to country or assistance checklists with SOag packages when initiated or amended, summarizing how they apply or not, and what actions are being taken to comply if necessary
- ❑ Other ideas are welcome and should be forwarded to relevant bureau staff

See the attached tool for capturing, recording, and anticipating required actions in the design or pre-obligation process

d At what level of planning does this need to be done?

This will vary, depending on the nature of the SO, its intermediate results from the results framework, and the planned activities. These may be provided at the SO level, the results package level or the activity level, again according to the operating unit's own methods of operation, and the nature of the SO and its contributing parts

- e Compliance with our environmental regulations (Reg 16) is particularly difficult What alternatives can be suggested for this?

Here are two suggestions, there may be more as we gain experience

- 1 After the review and approval of a strategic plan or single strategic objective by USAID/W, the operating unit (SO or RP team) would prepare a draft environmental examination that would refer to the results framework and underlying activities that are supporting the strategic objective The operating unit/team would identify proposed activities and approaches which are (a) relatively well-defined and where categorical exclusions or negative determinations may be warranted given the nature of the activity, (b) on-going activities which have already been subject to an environmental review process and where categorical exclusions or negative determinations were granted, or activities where environmental assessments were conducted and mitigating actions are and will continue to be undertaken, (c) activities or approaches which although less well-defined are likely to have positive or minimal environmental impacts, and (d) activities or approaches that are not well-defined

These would be reviewed by Bureau Environmental Officers who would in the Threshold Decision indicate which activities or grouping of activities warrant categorical exclusions, negative determinations, environmental assessments (as well as relevant guidance) and those activities on which a final decision is withheld pending further information on the activity The SO/RP team would be guided by these Threshold Decisions and would refer to this document or identify that environmental review decisions were being addressed in the action memorandum to the signatory of the obligating or subobligating documents under the strategic objective

- 2 In cases where a strategic objective represents an entirely new or significant expanded involvement in a sector such as agriculture or industry with significant environmental issues, operating units may wish to consider carrying out a Programmatic Environmental Assessment (PEA) which would provide the basis for individual reviews of proposed activities The PEA would ideally be part of the process of developing the SO in concert with development partners and serve to identify and incorporate mitigating actions into the development of activities Bureau Environmental Officers should be consulted to determine if a PEA is appropriate

## SO/Results Package/Activity Checklist

What is it?

This form is a versatile tool to use before obligating funds

Operating unit staffs or managers may use it (a) to set a marker for work to be done, (b) to track progress or present products related to design of activities and results packages, or (c) to officially record in files where the key pre-obligation paper trail is to be found

It can be used prior to obligations or sub-obligations at the SO level, the RP level, or the activity level

It can be used by SO team leaders, operating unit heads, or others who move our processes forward. It can be placed with official records where it can be found by GC people, IG people, GAO people, and others who come to help us

It's sort of a checklist of checklists, both a reminder and a record

How do we use it?

Down the left hand side are all the accountability items that are still required or recommended in order to precede most kinds of development activities or interventions. Not all are needed in all situations, but the basic statutory checklists have to be done, and many of the other items are recommended by the ADS where and when it makes sense. ADS or other references (some are still in development) are given for those who will find them instructive

Across the top you show the status of each item. Here you have choices as well. You may mark one or more columns for some of the items on the left side. Moving from left to right

- ☐ Some items, certain analyses for example, don't apply to the SO/RP/Activity in question, so you mark N/A
- ☐ It may not be the right time to do the analysis or determination, so you defer it. Probably a good idea to estimate and show the date when it will be done, so this can be used as a tickler or information source for those who may come along behind you
- ☐ Perhaps it's an item that doesn't need a full analysis right now, but it would be a good time for input or clearance from lawyers, financial experts or procurement people, just to make sure that your team is using the best method, the most legal approach, or the most administratively efficient way of getting business done. In this column you may specify who has been consulted (or cleared) and when. Note that Reg 16 environmental deferrals and CPs require GC clearance, and IIEs require BEO clearance

- Possibly you have the whole study or checklist or assessment done, but it's located in a computer memory or a file somewhere In this column, indicate where it is, not just that it exists
- The last column is self-explanatory Some managers or team leaders may want their checklists to grow into packages that they can review before making a decision to sign off on an obligation When that's the case, load the form with attachments and mark this column to indicate what's included

Op Unit \_\_\_\_\_ SO \_\_\_\_\_ RP/Activity Name \_\_\_\_\_

### SO/Results Package/Activity Checklist

Accountability Item	Status					
	<u>N/A</u>	<u>Deferred</u>	<u>Drafted</u>	<u>Consulted/Cleared</u>	<u>Final/Filed</u>	<u>Attached</u>
Statutory/Reg Requirements (202 6 3)				GC, FM, A&A, BEO		
Country checklist						
Assistance Checklist (incl CN/TN)						
Reg 16 [204 in draft]						
<b>Design/Feasibility Analyses</b>						
Technical						
Financial (202 6 4a)						
Economic (202 6 4b)						
Social/Gender (202 6 4c)						
Administrative (202 6 4d)						
Environmental (reserved)						
<b>A&amp;A Planning (304)</b>						
<b>Perf Monitoring Plan(s) (203 5 5)</b>						
<b>Conditions Precedent/Covenants (202 6 2)</b>						

- 5     **New obligations**   What is a strategic objective agreement, when should it be used, and when should other mechanisms be used?
- 6     **Congressional notifications**   What will they look like and what do they contain?  
This topic currently is under discussion between USAID and Congress, and the results of those discussions will be announced once they are completed. We are working on a way to meet both the information requirements of Congress and the principles of our new operations systems
- 7     **Customer/partner participation and procurement integrity**   Given our customer focus and emphasis on involving partners, how do we encourage participation in the activity design process and not violate procurement integrity?

During the course of designing the new operations system, discussions took place among various parts of the Agency, including the Office of Procurement, General Counsel, PPC, and the reengineering group, on the subject of customer/partner participation and procurement integrity. The results of those discussions formed the basis for the Agency notice published 8/17/95, titled, "Guidance on Consultation and Avoidance of Unfair Competitive Advantage." This notice explains the need for procurement integrity and some ways in which we can practice one of our core values, greater participation by customers and partners in our work, while at the same time maintain the necessary integrity of our overall system. If this notice is not available within your operating unit, you should contact your bureau's reengineering coordinator for a copy.

- 8     **Host country contributions**   How are they computed and when are they required?  
A revision to the recently issued DOA is expected which will clarify authorities and responsibilities with respect to the waiving of host country contributions and their monitoring. Regarding computation, what is chosen as the base amount against which the host country contribution is computed will vary depending on how obligations are made. Because specific circumstances will govern how contributions are computed and managed, it is advisable that any operating unit anticipating new obligations through bilateral agreements consult with its RLA for current information and guidance.
- 9     **Flexibility in use of funds**   What is the flexibility in the new system? Are there times when we can move money between strategic objectives?

There are some but not all answers to this question. When earmarks (soft or hard) are involved, movement of money between SOs will be restricted. In addition, once money has been obligated within a strategic objective agreement (or through another mechanism that is tied to one objective), movement will be restricted. In cases where money has been budgeted or allowances have been made (and where neither of the above two categories apply), an Agency-wide decision has not been made on this issue. In these cases, and where the movement reflects a cash management decision (e.g.,

because of a late starting contract money cannot be spent under one objective, but could be shifted to another which could handle an immediate increase), movement may be allowed as long as doing so does not exceed the receiving S O's overall planned budget. The extent to which such shifts in funds will be allowed, and how they would be managed if allowed, is still under discussion. Field input to that discussion is welcome.

10 **Funds availability** How will operating units be notified that funds are available?

As AWACS becomes fully operational, allowances will be made through AWACS. In cases where AWACS cannot be used to notify operating units directly, each bureau will organize how notifications are issued. Programming, budgeting, and accounting will all be by objective (whether strategic, support or special), so allowances also will be organized by objective (which to AWACS is the highest form of "activity"). The AWACS NMS training during March for controllers, and the general NMS training for other staff, will provide greater detail about how funds will be managed through AWACS.

11 **New Management Systems** Will there be software to support the activity design, implementation and monitoring processes?

Yes - in addition to the results tracking module of the operations component of NMS, there will be modules for planning and implementation. These currently are in the development stage. They will support the planning and implementation processes by providing structures within which to plan activities with the participation of team members, and to manage the implementation of those activities. These systems are expected to be available late summer of 1996.

## Why Customer Focus?

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- ◆ **Quality is defined by the customer**
  - ◆ **Customer needs change over time**
  - ◆ **Understanding customer needs requires continual communication**
  - ◆ **Customer input leads to better, more sustainable results**
  - ◆ **Customer satisfaction is essential to survival**
- 



Quality is defined by the customer For a product or service to satisfy customers, management must understand what customers need and develop the capability to meet those needs Sustainability of the use of a product or service is strengthened when the product or service meets the needs of the customer

Customer needs change with time Customer needs are moving targets, not static landmarks Often customers' needs and expectations increase as our ability to meet them increases In government, for example, taxpayers now compare government with the kinds of services they receive from the private sector - for example, easily resolving a discrepancy with my credit card company, getting a helpful response about my new computer in the first call The American public is increasingly expecting similar service and response from their government

Understanding customer needs requires continual communication In order to meet needs, we need to develop operational definitions so that products and services have the necessary features to meet needs

Customer satisfaction is essential to survival Without a customer, there is no need to exist

# **Definition of Customers**

- ◆ **Customer** - Someone or group who receives services or products from USAID, benefits from USAID programs, or is affected by USAID actions.
- ◆ **Ultimate Customer**
- ◆ **Intermediate Customer**



Customer - A customer is an individual or organization who receives services or products from USAID, benefits from USAID programs, or who otherwise is affected by USAID actions. The following are definitions of specific customer groups

- ◆ Ultimate Customer - USAID's ultimate customer is defined as those who are end-users or beneficiaries of USAID programs
- ◆ Intermediate Customer - An intermediate customer is any person or organization, internal or external to USAID, who uses USAID services, products, resources to serve the needs of other intermediate or ultimate customers

# Understanding Customers and Stakeholders

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## ◆ Stakeholders

- ❖ Not Our Customers
- ❖ Give Us Resources and Direction
- ❖ Want a “Return on their Investment”  
(i.e., Results)

## ◆ Customers

- ❖ They Want a Quality Product or Service



### *What does this mean for USAID's partners?*

Partners have a lot to bring to the table in terms of customer focus. Partner organizations are often uniquely qualified to bridge the logistical, linguistic, and cultural gaps that often separate USAID from its ultimate customers. Partners can play the role of 'customer representative' in the planning process and can ensure that customer needs are being effectively addressed by designing appropriate activities and monitoring customer feedback.

## Customer Service Plans include:

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- ◆ Operating unit's "VISION" for including customers & partners in the planning, achieving and measuring for results
- ◆ Description of how customer feedback will inform needs analysis
- ◆ Agreed-upon customer service principles & standards



Operating units may want to develop different types of Customer Services Plan depending on the nature of the customers and services. For instance, they might develop a

- ⇒ "Business" CSP, which describes how internal or support units will interact (serve) its **internal customers**, i.e., service standards that EXO (Executive Office) or Controllers Office sets for working with SOTs
- ⇒ "Program" CSP, which describes standards and procedures an SOT will follow to ensure **external customer and stakeholder** satisfaction

*See page 16 of for the text of the Agency's Customer Service Plan*

# Customer Service Plan

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- ◆ Serves as a management tool:  
an on-going dialog which: clarifies  
results, makes reality checks, develops  
support & sustainability
- ◆ Identify customers and their interests  
and informs the development  
hypothesis
- ◆ Help set standards and evaluate  
performance

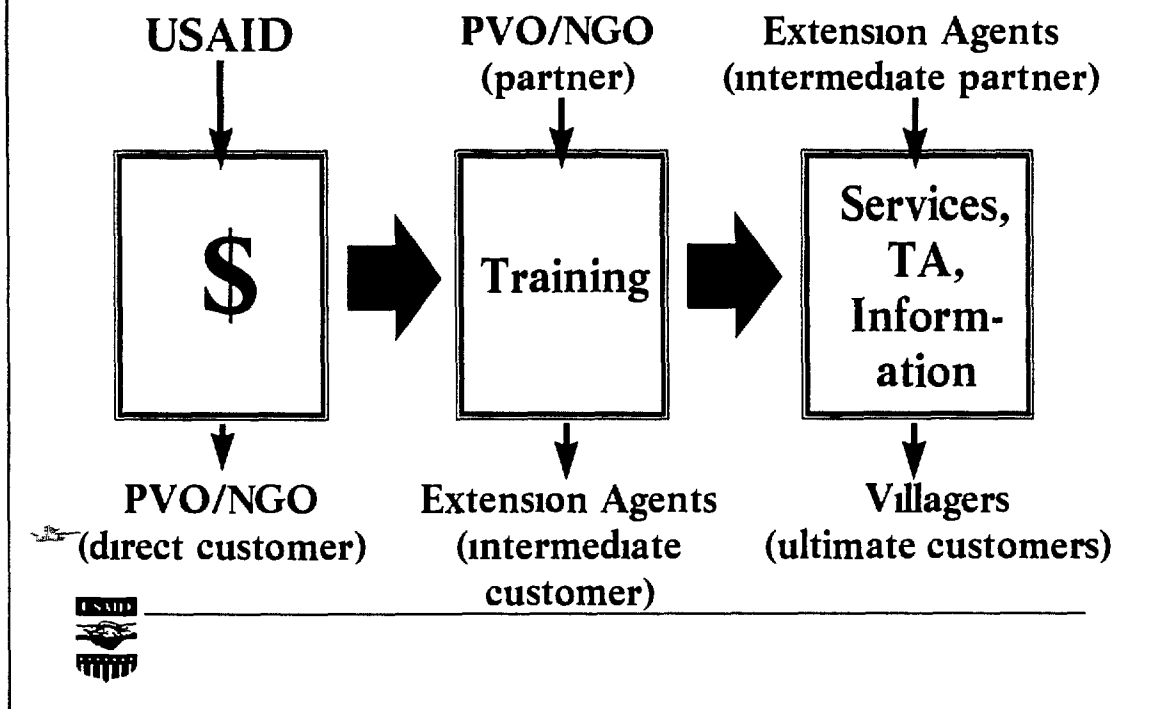


The CSP is not intended to be a static plan prepared every so many years. Instead, it represents the need to engage in a regular and an on-going dialog between the operating unit and its intermediate and ultimate customers.

While there has typically been considerable substantive interaction between these groups in the past, much of the discussion has centered around activity-level implementation and tracking obligations. The CSP process seeks to significantly enlarge the discussion with customers to include the higher-level concerns of desired results, projected impacts, and the formulation of a development hypothesis.

USAID will need to work with intermediate customers and partners to encourage them to maintain their customer focus. The ultimate test of USAID's customer service chain will be whether ultimate customers' needs are articulated in the planning process and whether they are able to evaluate the goods and services offered by USAID's partners and agents.

## A Customer Service Chain..



The above diagram portrays one particular chain of services from the donor (USAID) to the ultimate customer (villagers). Note that all of the actors listed above are also stakeholders as are other actors not listed (host country government ministries, the US Congress, and possibly others).

USAID's direct customer here is the PVO/NGO, which is provided funds to engage in the delivery of services for the benefit of the ultimate customers - the villagers. As USAID's partner, the PVO/NGO engages with their direct customer - the extension agents - to provide actual services to the ultimate customer. The extension agents could be considered an "intermediate" customer of the USAID. Their ability to provide appropriate services to the ultimate customer is dependent, in part, by the PVO/NGO's capacity to meet their needs. The extension service, in so much as it brings other resources (human, material) to bear in meeting the villagers' needs, could also be referred to as an "intermediate partner" of the USAID.

The respective roles of these players (PVO/NGO, Extension Agents) would be different if the particular services, products or ultimate customers were changed.

# STEPS FOR CUSTOMER SERVICE PLANNING

## in USAID Missions and Other Operating Units

*Sher Plunkett, Customer Service Officer*

*Diane La Voy, Senior Policy Advisor for Participation*

*June 1995*

**Reengineering** The fundamental rethinking and radical redesign of operating processes to bring about dramatic improvements in performance

USAID staff are redesigning the way we work. Why? Because we have to, to survive in the new climate for foreign affairs and foreign assistance, and because we see an opportunity to clear away obstacles and achieve better results faster in our work. As we reassessed USAID's role as America's foreign assistance agency, we reaffirmed our belief that we joined USAID to help those we now call our "customers" to improve their lives -- to achieve development results. We believe that we can do our work better by combining our complementary skills in teams. And we are confident that we perform best if we are able to direct our skills, knowledge, training, and experience toward the results we and our customers want -- that is, if we are empowered to make key decisions and held accountable for our work.

As this illustrates, USAID's four "core values" -- participation/customer focus, management for results, teamwork, and accountability/empowerment -- are interrelated. The first of these -- to "begin with the customer" -- really opens up the possibilities for fundamental rethinking of what we do and how we do it.

Focusing on our customers means, first, that we believe that feedback from those who receive and use the products of our work -- assistance services, or commodities, or training, or information -- will help us to design and deliver our assistance faster and better. But it means more than that. **USAID's customers are the reason the Agency exists** -- it was created to achieve foreign assistance objectives by serving them. If we start by determining customer concerns, we inevitably question our assumptions (are the programs focused right? are we working with the right partners?), re-assess the effectiveness of our programs, and develop the information base for improving them. Customer Service Planning is the management tool we use to obtain customer feedback, improve program planning and performance, and get better, more sustainable results from our development programs.

Following are four steps that we think Missions and other operating units will find helpful in Customer Service Planning.

## 1 Identifying Customers

- a) Examine what you do, and for whom, and list every identifiable user of your "work products", both inside and outside the your organization. Identify, first, the "ultimate customer" or end-user for your program -- the people your Mission or Office or program exists to serve
- b) Then, working backward from that customer, identify the intermediate customers or partners through which ultimate customers receive the services that USAID provides. You can then categorize your customers in ways that are meaningful for your specific objective

## 2 Analyzing the Customer Chain

- a) Using your customer list, map the flow of the services and goods you provide through intermediary links to the "ultimate customer" for whom USAID's assistance is intended. Examine what you do through your program or project activities, and analyze the different roles each link in the chain plays in achieving the results you intend. Identify the individuals who serve as contact points for these linkages. Describe the ways you currently obtain customer feedback and the items you monitor
- b) Then, create a second flowchart mapping the links as you think the ultimate customer would see them. The points where the two flowcharts differ provide points at issue, where further analysis of problem areas may be fruitful.  
[Another way to find areas where customers may have different perspectives from ours -- this time about program priorities rather than on how we deliver services -- is this:
  - i) restate your strategic objective as a question -- for example, what does "strengthening access to markets" mean to \_\_\_\_\_?
  - ii) Then, answer the question as you think different ultimate customers would answer -- small farmers, women, tenants, middlemen, etc.]

## 3 Reaching Out Directly to Customers

Using the framework of inquiry suggested by the preceding steps, and combining informal and formal assessment methods as your needs, resources, and time schedule allows, survey to examine potential gaps in your program's service quality

Find out from your ultimate customers and from intermediate customers and partners

- a) whether you are providing what they require,
- b) how well you are performing as a service provider, in terms of reliability, timeliness, responsiveness, and other factors of concern to them, and
- c) if appropriate to your specific case, how your performance compares with others providing similar services

Methods such as focus group interviews and rapid appraisal, which allow customers to direct the discussion, express opinions, and provide information on matters of greatest concern to them, are particularly appropriate for this purpose

#### 4 Setting Performance Standards to Accept Accountability

With the feedback you obtain from customer surveys, specify what you intend to do regarding your service performance (your service principles), and develop observable measures for your performance (your service standards). Use it to monitor your performance, make improvements, and ensure quality service delivery to achieve the development results you intend. But that is not enough. Performance principles and standards need to be communicated to customers, in ways that are most appropriate to the customers' context, literacy level, etc. By informing your customers, you hold yourself accountable to them for your performance. By presenting your principles and standards and inviting feedback regarding what you do and how well you are doing it, you provide means for your ultimate customers, as well as intermediaries and partners, to influence improvement in your performance.

Customer service planning is a tool that has been proven effective in a wide range of organizations, both public and private. It reflects major developments in management analysis over the past two decades. It is an important element in your Mission or Office's overall strategic planning efforts under the new Agency Directives. Following the steps outlined above, you can use customer service planning to relate your work products more closely to customer needs, adjust to changes more flexibly, and produce better results.

#### Next Steps

As we incorporate the customer service planning tool into USAID's operations, you may also wish to expand your own skills and your network of outside specialists who may carry out specific tasks to assist you. The Reengineering team is developing a skills "tool kit" and a network of in-house staff to backstop you, and the Participation Initiative team will soon be circulating a list of "tools and references." But you are in the best position to know what you need, what local expertise to draw on (and how to develop it further), and what additional support you require.

Please contact us via E-mail if you have questions or if we can help you in any way. You are, after all, OUR customers!

For further guidance on customer service planning, see also

- "Uncle Sam's Maxims for Customer Service Plans" (Sher Plunkett, M/ROR, 3/95)
  - "Ten Steps for Developing Customer Service Standards" (Liz Baltimore, M/ROR, 6/95)
- (Both available by e-mail from Sher Plunkett or Liz Baltimore)

## TEN EASY STEPS FOR DEVELOPING CUSTOMER STANDARDS (A Roadmap to Assist USAID Operating Units)

*Liz Baltimore, M/ROR, Customer Service*  
April 17, 1996

**FOCUSING ON CUSTOMERS IS NOT NEW TO USAID** For a number of years, we have used a variety of methods to help improve the lives of men, women and children in developing countries. USAID's employees have actively used planning techniques to learn what customers' needs and priorities are and used this information to deliver measurable sustainable development. We have worked with our partners such as private voluntary organizations and non-governmental organizations to reach our "ultimate customers" - the people in developing countries. With the continued emphasis on the radical change that reengineering brings about beginning October 1, 1995, the importance of meeting our customers' expectations is enhanced. The invaluable experiences and skills of each USAID employee are contributing factors in developing achievable customer standards.

### WHAT ARE CUSTOMER SERVICE STANDARDS?

Customer service standards are developed with the customer in mind and are designed to meet *customer* expectations. They are clear performance targets which measure customer satisfaction. These standards describe how accurate, reliable, timely, dependable and accessible services are delivered to customers. Each standard should be measurable, achievable, controllable and address *what is most important to our customers*.

### WHY ARE CUSTOMER SERVICE STANDARDS IMPORTANT?

*Customer service standards demonstrate our commitment to put the customer first.* These standards are an integral part of an operating unit's Customer Service Plan. We will continue to use the Customer Service Plan as a management tool to guide how we involve our customers, partners and employees in achieving results. *Customer service standards are important because USAID is accountable to the American people for assisting our ultimate customers achieve sustainable development.*

### DOES THE AGENCY HAVE CUSTOMER SERVICE STANDARDS?

*Yes.* In September 1994, USAID published its Phase I Customer Service Plan identified an initial set of customer service standards addressing the concerns of our **domestic development partners**. These standards specifically describe how we will work with U.S. private voluntary organizations, universities and private businesses to achieve our development objectives. September 1995, Phase II of the Agency's Customer Service Plan adds customer service standards for **overseas missions**. USAID missions and Washington bureaus/offices are already working on their individual Customer Service Plans to guide their planning, achieving and assessing of processes.

## HOW DO WE DEVELOP STANDARDS?

### STEP 1 KNOW YOUR MISSION

*The mission statement describes your operating unit's role in providing services to the ultimate customer* After your mission statement has been developed, focus on the end results intended through the services you provide and the importance of each employee's role In a participatory setting, review your mission statement so that all employees will clearly understand your operating unit's contributions to the overall mission of the Agency The following are example mission statements

*EXAMPLE 1* We are committed to improve environmental quality and natural resource protection by building the capacity of local environmental management organizations to respond to these issues

*EXAMPLE 2* We strive to provide procurement advisory services and assistance to other USAID operating units in the execution of strategic objectives

### STEP 2 FOCUS ON THE VISION

*USAID's vision is shared by top management, involves customers, employees and partners to achieve the best sustainable development* USAID is transforming and reinventing the way we deliver development and humanitarian assistance in the developing world Our objectives and plans for the future are driven by the customer and are aimed at satisfying the customers' needs Every operating unit and employee play a vital role in achieving the Agency's goal(s) and are valued for their contributions It is extremely important to create ownership in your customer service standards from top management to every individual employee When developing customer service standards, focus on YOUR operating unit's vision and how it relates to USAID's vision

### STEP 3 LIST YOUR KEY CUSTOMERS AND PARTNERS

*Once you have identified your operating unit's customers and partners, this will help you clarify the focus for your customer standards* Initially, consider those customers who are direct recipients of your products and services Clarify who delivers your services Do you have partners who deliver your services directly to your customer(s)? Depending on the particular operating unit, some partners may also be customers, e g , when they submit a proposal to the procurement office to let a contract for delivery of services Does your operating unit have stakeholders - those who have an interest or whose support is necessary for achieving your objectives, e g , host country groups, other donors, private firms? Once you have a clear sense of who the operating unit's customers and partners are, list them

#### STEP 4 DEFINE KEY SERVICES AND LINK CUSTOMERS/ PARTNERS AND EMPLOYEES

*Identify the key services and products your operating unit provides* Describe how you currently deliver these services/products to your customers Chart the flow of the processes for each key service Remember, there may be several steps involved in delivering a particular service Analyze whether all of the steps in each process add value to service quality Ask - Do we need to do all of this to meet our customer needs? Do we have the right people delivering the service? Indicate each point in the process where your customers receive your services Indicate where partners fit into the process(es) because in some cases they may deliver key services Identify and analyze barriers, problems and gaps in delivery of quality service Every employee in the operating unit plays a vital role in providing the best possible service It is important to include the skills and experiences of employees and link their contributions to achieving sustainable results The importance of these linkages is to clearly focus and identify how your service delivery impacts the ultimate customer

#### STEP 5 CONTINUE TO LISTEN TO YOUR CUSTOMERS

*USAID's continued commitment to listen to customers is extremely important* Establish a schedule to ask your customers what they think about your operating unit's current quality of services Find out what they expect in terms of reliability, timeliness, accessibility, accuracy and dependability Maybe they would rather have farming tools or faster service or they may not want the service at all Encourage customers to be candid and to give you ideas for improvement You decide the best methods for assessing your services, e g , focus groups, interviews or formal and informal surveys, or conferences The final analysis of your customers' expectations will help generate your standards

#### STEP 6 DEFINE WHAT SYSTEM/PROCESS CHANGES ARE NECESSARY TO SATISFY CUSTOMERS

*Review the final analysis of what your customers expect* Look at your key services and products and decide if your operating unit can make suggested changes in systems and processes to satisfy customer expectations Describe what services you can tailor or change Decide what is realistic vis-a-vis what is not based on the services you can provide Carefully consider the results of the changes in the way you do business and the resource requirements Compile your list of system/process changes and prioritize it to help guide the development of your operating unit's customer standards


## STEP 7 DEVELOP CLEAR, SIMPLE, MEASURABLE CUSTOMER STANDARDS

*Continue to focus on areas that are most important to your customers* How will your operating unit commit to improve service quality? The customer standards identify specific actions you will take to improve service. Once you have completed your analysis of who your customers are, your key services and the linkages, prioritize where you need to develop standards. Determine what will have the most impact and decide what your operating unit will live by. Describe standards that are measurable, achievable, clear, relevant to what your customers asked for and demonstrate you heard your customers.

*For example*

Principle On a regular basis we will communicate with our customers to improve our processes and simplify our business practices

Standard We will survey our customers at least annually to see if the changes in our policies and procedures are working to eliminate the impediments they have identified

 Principle We will involve our customers in defining the quality and quantity of services and commodities to be delivered

Standard We will ensure that commodity specifications are jointly prepared with our customers

## STEP 8 GIVE FEEDBACK TO YOUR CUSTOMERS

*Find ways to let your customers know what your standards are* Let customers know whether changes have been made and if not, why. For example, you could publish your standards in a simple booklet or brochure. They may also be communicated at conferences, meetings and in other settings. Your customer standards are published and distributed as part of your Customer Service Plan. The plan also lets customers know who in your operating unit may be contacted for additional feedback and/or information.

## STEP 9 MONITOR AND MEASURE HOW YOU ARE DOING

*Track your progress* Set up internal procedures and a tracking system that will monitor feedback from customers and identify recurring problems and priorities for improvement. Separate feelings from facts and keep a systematic record of complaints and recognition for doing well. This will help you analyze areas where you need to further communicate with customers and employees. At least on an annual basis, ask your customers what they are thinking and how you are doing. Find creative ways to keep in touch with customers. Develop a system(s) to communicate to all employees throughout your operating unit what you discover from customer feedback. Use participatory approaches to obtain suggestions from employees to address customer concerns and to implement improvements.

## STEP 10 BENCHMARK YOUR SUCCESS

*Know whether customers are satisfied determine results* Know through systematic benchmarking whether you have achieved excellence in whatever specific strategic objective you have identified and the services you deliver Keep track of your best practices Measure your performance against top-notch operating units in the public and private sector that do similar work Ask your customers about other organizations that they perceive as being the best Seek them out, find out their secrets and go for it!

## WHERE CAN YOU GET PERSONALIZED CUSTOMER SERVICE?

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This step-by-step approach is in response to our customers' request for additional detailed information to assist in the development of customer standards Your comments and suggestions are appreciated For further service and assistance, please contact the Reengineering Customer Service Team Liz Baltimore (focus on Washington), (202) 663-2459, or Sher Plunkett (focus overseas), (202) 663-2496

Other reference materials for customer service planning

- "Uncle Sher's Maxims for Customer Service Plans" (Sher Plunkett, M/ROR, 3/95)
- Steps for Customer Service Planning (Sher Plunkett, M/ROR, and Diane Lavoy, PPC, 6/95)

## CUSTOMER SERVICE PLANS

### HOW TO GET STARTED

Liz Baltimore, M/ROR

- ♦ **Validate your organization's mission** (What is your organization responsible for? Why does your organization exist?)
- ♦ **Think about the future** (What does your organization want to look like in 5-8 years? What services will you provide, to whom and how?)
- ♦ **Know Your Customers** (Who are the key users of your products/services? Who benefits from the services you provide? Who are direct recipients of your products/services? Who works with you to supply services? Who has a major interest and or investment in what you do?)
- ♦ **Determine your primary services and customer links** (What are the key products/services? What are the links in your service delivery chain? What are the interdependencies in your services, employees and partners?)
- ♦ **Agree on your organization's principles of service** (What type of service can your customers expect from your organization?)
- ♦ **Decide what internal/external concerns and or pressures affect delivery of products/services** (What are some of the things that affect the way you provide customer satisfaction?)
- ♦ **Let customers tell you how well you are doing** (Ask your customers how you can better serve them? What method of measuring will you use – written surveys, interviews, focus groups? What can your organization do to improve customer relations? What can you do to help your customers do their jobs better?)
- ♦ **Based on Customer Feedback Decide what measurable standards of service your customer and you can live with** (What is doable and what is not? What are the resource requirements for the standards you develop? What feedback did you get from employees? Are you willing to commit your organization to standards of customer satisfaction?)
- ♦ **Set up internal procedures to help you produce end results** (What internal procedures are in place to assure you meet your objectives for quality service? Do you have the staff to follow through?)
- ♦ **Publish Customer Service Plan** (What is your statement of mission and vision? Who are your customers as related to strategic plan, objectives and or results? Will your plan address bureau/offices and other units within your organization? What is the result of your customer assessments? What are your customer standards? How will you give customers feedback? Who should customers contact for feedback and assistance when standards are not being met?)
- ♦ **Set up a systematic way to measure results and feedback** (Is there a simple, quick and efficient way of tracking how you are doing with your standards? What methods can you put in place to assess performance and make adjustments?)

# PHASE II - USAID'S CUSTOMER SERVICE PLAN

## QUALITY SERVICE STANDARDS FOR WORKING WITH USAID'S CUSTOMERS AND PARTNERS

### PUTTING CUSTOMERS FIRST

The National Performance Review (NPR) recommended major reforms in the way government does business. One reform proposed is a new customer service contract as an essential part of the government's mission. Executive Order 12862, "Setting Customer Service Standards" calls on U.S. government agencies to identify their customers, address their needs through regular interaction, and develop standards for serving them based on their priorities.

### WHO ARE WE?

The United States Agency for International Development (USAID) is the independent federal agency that manages U.S. foreign economic and humanitarian assistance programs around the world.

Given the diversity of places, people and cultures addressed by the U.S. Agency for International Development humanitarian assistance and development programs, putting customers first presents an enormous challenge. Unlike most U.S. government agencies, USAID's ultimate customers are outside our borders. They are the people in developing countries whose quality of life we work to improve as an integral part of America's foreign policy.

USAID's assistance to our overseas customers is delivered through a variety of development partners—individuals or organizations who work closely with USAID to provide our products and services to our ultimate customers. For USAID and our development partners to serve our customers more effectively and achieve results, we are reengineering our focus, systems and procedures to meet the challenges of the post-Cold War world.

This Phase II Customer Service Plan addresses concerns that our customers and partners have identified for quality customer service. It presents standards for serving our ultimate customers in the countries we work in overseas.

### WHAT IS USAID'S MISSION?

Our Mission is to promote sustainable development worldwide. Sustainable development is economic and social growth that does not exhaust local resources or damage the economic, cultural or natural environment.

USAID works with its partners to support sustainable development, focusing on five critical areas

- Environment
- Population and Health
- Democracy
- Broad-based Economic Growth
- Humanitarian Assistance and Support for Post-Crisis Transitions

## WHO ARE USAID'S CUSTOMERS AND PARTNERS?

USAID's **ultimate customers** are the people in developing countries who benefit from USAID's services and products. They are men, women and children of indigenous communities, microentrepreneurs, exporters, small farmers and others who receive the development assistance provided through USAID programs overseas. The active participation of our ultimate customers is integral to USAID's strategic planning process and delivery of sustainable development programs.

USAID relies on the active participation of its partners to promote sustainable development and deliver humanitarian assistance. USAID'S **partners** include private voluntary organizations, non-governmental organizations, universities, community colleges, other U S government agencies, host country governments at all levels, multilateral organizations, professional and business associations, private businesses and other donors. Partners are also customers when they directly receive USAID's products and services that enable them to deliver effective services to our ultimate customers.

The lasting impact of our development investments and the benefits of our overseas programs to the American people can be achieved only if we achieve specific strategic objectives, and if our overseas customers continue activities after USAID funding ends. For this to happen, development efforts funded by USAID must serve customer needs and have partners' commitment and support. To achieve this, we focus on our customers' needs, through surveys, focus groups, conferences and other participatory methods.

## USAID'S QUALITY SERVICE

USAID's diverse relationships with our customers and partners suggest different expectations and standards of performance to provide quality service for each customer group. But some concerns are common to all groups. USAID maintains an open dialogue with its customers and partners. We encourage consultation to identify problems, needs and possible solutions. Collaboration with our customers and partners, including InterAction, the Advisory Committee on Voluntary Foreign Aid, local governments and others have made the following possible.

- improved quality in USAID procedures,
- improved timeliness in USAID processing, and
- greater access and transparency

## BENCHMARKING

The main purpose of our reinvention efforts is to improve USAID's systems and procedures. Many of the issues raised by our customers, partners and stakeholders are being addressed in internal working groups reengineering our procurement, budget, personnel and operating systems. These groups have used and will continue to use the benchmarking process, finding the best practices used in business or government and then adapting them to improve our own operations. Our goal is for USAID's reengineered systems to equal or exceed the "best in business," providing us with the most efficient and effective way to provide sustainable development and humanitarian assistance.

## OUR PLEDGE

We will continue to develop Customer Service Plans in our overseas missions, routinely review these standards with our customers and development partners and update them as necessary to identify the concerns of other customers and partners. We will create new standards based on new processes being developed as part of our reinvention efforts.

We will continue to focus on customer service and achieve results. Our customers will participate more in planning and achieving the Agency's objectives and in evaluating results to meet customer needs. As part of this effort, we are continuing formal and informal consultations with our customers and partners.

We will review our customer service standards annually, and periodically publish an Agency Customer Satisfaction Report. We will continue to encourage our partners to consider similar "customer satisfaction" standards for services they deliver to the people of developing countries.

## I QUALITY STANDARDS FOR USAID'S OVERSEAS CUSTOMERS

USAID'S overseas missions carry out programs to achieve the Agency's strategic objectives to foster economic growth, reduce population, encourage participation in democratic government and protect the global environment. Through a variety of formal and informal methods, both our customers and intermediaries in developing countries have told us how we have performed in service delivery, humanitarian assistance and sustainable development.

Country experimental "laboratories" have used systematic and participatory methods to assess and improve the quality of service to our ultimate customers. They have developed Customer

Service Plans to assure more customer involvement in planning, achieving and evaluating the Agency's objectives to manage for results

With increased participation and enhanced surveying of our customers in developing countries, we have identified performance standards. USAID is committed to providing

## 1 QUALITY

On a regular basis, we will communicate with our customers to improve the quality of USAID's humanitarian assistance, development and customer satisfaction

- Each overseas mission will develop and maintain a Customer Service Plan which will state how customers and partners are to be included in determining customer needs and achieving objectives, explain how customer feedback will be regularly incorporated into work processes, and identify key customer service principles and standards
- We will improve participation in overseas missions to include our customers in planning and implementing USAID's work, and in planning and conducting periodic surveys to determine if services are being delivered in a satisfactory manner
- We will periodically survey our customers to assess their expectations, determine their needs based upon USAID's programs and report customer satisfaction
- We will assure USAID's programs provide high quality technical services that are tailored to our customers' needs
- We will directly involve customers in defining plans and activities to ensure results and continuous improvements in USAID's programs
- We will continue to collaborate with customers, local partners and stakeholders to ensure service delivery meets the needs of our customers and serves America's long range Foreign Policy interests

## 2 TIMELINESS

We will improve the turnaround time for service to our customers

- Provide an initial response to inquiries within 24 hours, written inquiries will be answered within 5 working days from receipt. If a full response is not possible within these periods, we will indicate a probable timeframe for resolution
- We will disburse funds in time to allow for implementation of activities on schedule

## 3 ACCESS TO INFORMATION

USAID will offer greater access and more transparency to Agency activities and information

- Provide periodic customer information guides to activities, processes and procedures
- We will hold semiannual meetings with customers and partners to provide information and facilitate an open dialogue regarding USAID programs

## II QUALITY STANDARDS FOR DOMESTIC DEVELOPMENT PARTNERS

Phase I of USAID's Customer Service Plan outlined what our development partners told us about their concerns and presented a set of initial standards to address them. In working with PVOS, universities and private businesses, our goal is to eliminate burdensome administrative and procurement requirements and become "user-friendly" to our current and future development partners. As part of this ongoing effort, procurement policy changes have simplified the administration of grants and cooperative agreements by modifying requirements in the following areas: trip reports, salary approvals, number of key personnel, approval of consultants, budget flexibility and systems approvals.

USAID has made significant improvements in its work processes to meet and exceed our standards for working with PVOs, universities and private businesses. We have exceeded our standards for the PVO registration process by eliminating 12 documents for new PVO registrants which reduced the number of documents from 18 to 6. Three documents were eliminated from the annual requirement for PVO registrants which reduced the number of documents from 6 to three. The revision and simplification of USAID Form 1550-2 which is used to compute a PVO's "privateness percentage" was completed. A "Guide for Doing Business with USAID" has been published and distributed. This guidebook provides detailed information to the U.S. business community on how to do business with USAID sustainable development programs. Within three days of an organization's requests for funds under a letter of credit, funds are deposited in the organization's bank account via an electronic funds transfer. Outside vendors are able to get an immediate response by checking an electronic bulletin board for the status of all invoices and payments. A new USAID Worldwide Web Home Page [www.info USAID.gov] is available to access USAID information at worldwide web sites. A number of redundant procurement procedures and processes have been eliminated and there is increased access to procurement information.

Based on issues and concerns raised in numerous forums, USAID has developed these standards to address our domestic partners' concerns. They represent the way USAID will work toward securing a more efficient relationship with our development partners and service providers. USAID is committed to providing

### 1 QUALITY

On a regular basis we will communicate with our customers to improve our processes and simplify our business practices.

- We will include our customers and partners in an ongoing, consultative process on policy, programmatic and procedural matters
  - We will hold semiannual vendor meetings for service providers and partners
  - We will periodically survey customers and partners to see if the changes in our policies and procedures are working to eliminate the impediments you have identified and report customer satisfaction.

- If USAID issues a grant, cooperative agreement or contract, an Agency project officer will be assigned to facilitate our relationship. The project officer will provide his/her phone number, address, E-mail address and fax number.
- To simplify the PVO registration process, we **have**, in collaboration with our PVO partners
  - **Reduced** the number of documents required from new PVO registrants from 18 to 6,
  - **Reduced** the number of documents required annually from PVO registrants from 6 to three, and,
  - **Revised and simplified** USAID Form 1550-2 used to compute a PVO's "privateness percentage."
- To be more consistent in applying USAID policies and procedures, our contracting and grants officers
  - **Consistently interpret and apply** policies and regulations in awarding grants and contracts,
  - **Eliminated** redundant procurement processes, procedures and reporting requirements by December 1994, and
  - **Published and made available** by September 30, 1994, "A Guide to Doing Business with the U S Agency for International Development," which clearly and concisely describes USAID's policies and procedures

## 2 TIMELINESS

We will improve the turnaround time for our processes

- We will answer your questions in a courteous, prompt, and professional manner
  - You will receive an initial response to calls and E-mails within 24 hours, written inquiries will be answered within 10 working days from receipt. If a full response is not possible within these periods, we will indicate a probable timeframe for resolution.
- USAID's Office of Procurement will make non-competitive awards within 90 days, and competitive awards within 150 days. We will modify contracts and amend grants within 90 days of receipt of requests for action from line offices.
- PVOs seeking registration and eligibility requirements to compete for development assistance grant funds are sent a complete registration packet within five days from the receipt of inquiry.
- Applications to register new PVOs are reviewed and formal notice of acceptance or denial is mailed within 8 weeks of receipt of fully completed application packages.
- Within three days of an organization's request for funds under a letter of credit, payment is deposited in its bank account via electronic funds transfer.

### 3 ACCESS TO INFORMATION

USAID will offer greater access and more transparency to Agency activities and information

- **Outside vendors can dial-in** to an electronic bulletin board **and check** the status of all invoices and payments
- Assistance and acquisition information relevant to PVOS, NGOS, universities and private businesses are available on USAID's gopher [gopher info@usaid gov] and **USAID's new worldwide web home page** [www info USAID gov] These include
  - General information on USAID-funded programs,
  - Country strategies and implementation guidelines,
  - USAID publications,
  - All USAID/W solicitation documents,
  - USAID procurement policies and procurement opportunities,
  - ~~All~~ procurement award notices, posted within five working days of approval,
  - All USAID Commerce Business Daily notices, posted within 24 hours of appearing in the Commerce Business Daily,
  - Center for Trade and Investment Services (CTIS) information on business opportunities, and
  - Office of Small and Disadvantaged Business Utilization (OSDBU) information on business opportunities

## USAID CONTACTS

Public Inquiries (202) 647-1850

Procurement (703) 875-1204

Private Voluntary Organizations (703) 351-0222

### Business Opportunities

– Center for Trade and Investment Services (CTIS) (202) 663-2660 or 1-800-872-4348

### Business Opportunities and Counseling

– Office of Small and Disadvantaged Business Utilization (202) 875-1551

### For Improving Customer Service through Reengineering

– Office of Results-Oriented Reengineering (202) 663-2459 or (202) 663-2496

– USAID's Quality Council (202) 736-4014 or (202) 663-3602

INTERNET ADDRESS [gopher info usaid gov]

WORLDWIDE WEB HOME PAGE [www info USAID gov]

**You can get a copy of Phase I and II of USAID's Customer Service Plan** by calling the general inquiry line, using the INTERNET or the WORLDWIDE WEB HOME PAGE addresses or by writing to

USAID Office of Public Inquiries

320 21st Street, N W , Suite 2895

Washington, DC 20523

The same process can be used to address comments and inquiries about the quality of our services or USAID's Customer Service Plan

# Teamwork

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- ◆ Informal and formal teams
- ◆ Brings people with different knowledge together to solve problems



## *Six Reasons Not to Use Teams*

- 1 When time is critical
- 2 When the solution is obvious or routine
- 3 When it is a one-person issue
- 4 When it is a technical issue
- 5 When the problem involves an individual performance deficiency
- 6 When the solution is quantitative rather than qualitative

## *Six Reasons to Use Teams*

- Use a team approach to problem solving to
- 1 Bring a variety of skills and viewpoints to bear on solving complex problems
  - 2 Encourage "shareholders" to assume psychological ownership of the problem
  - 3 Improve the quality of the decision-making process
  - 4 Energize shareholders in the problem-solving process by building team spirit
  - 5 Encourage people to share information and ideas for more effective decision making
  - 6 Ensure a coherent approach to solving the problem

# **Teamwork**

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- ◆ **Teams should be empowered to achieve results**
- ◆ **Processes cross functional boundaries - functions need to work together**



## **To Become a Team Requires. .**

- ⇒ A group with a clear and agreed upon charter, or purpose and common goals,
- ⇒ Interdependence -- you need each others' skills and experience,
- ⇒ Members believe working together is better than working alone,
- ⇒ Having frequent interaction as a group,
- ⇒ The group is empowered to make decisions and solve problems,
- ⇒ Individual commitment to the group and acceptance of each other's membership in the group,
- ⇒ The resources to fulfill the charter, purpose or goals,
- ⇒ Authority granted by a higher level and accountability for results

## **GUIDELINES FOR SUCCESSFULLY IMPLEMENTING TEAM EMPOWERMENT**

### **1 Define the purpose of the team.**

- ⇒ Why does the team exist?
- ⇒ What is the team's objective or goal?
- ⇒ What is an empowered team?

### **2 Define the Roles and Responsibilities of the team**

- ⇒ Is each team member clear about her or his role?
- ⇒ Does each team member know the roles of the other team members?
- ⇒ Does the team have all the expertise necessary?

### **3. Define the Mode of Operation of the team**

- ⇒ Establish a working vocabulary for important terms
- ⇒ Establish a mode of leadership and an accountability system
- ⇒ Utilize existing expertise and support when lacking among team members
- ⇒ Discuss team trust, relationships, communication, support, commitment, etc

### **4. Select a manager to coach and set guidelines for the team**

- ⇒ Manager and team should agree on guidelines
- ⇒ Manager and team should establish accountability in terms of quality, productivity, and team functioning
- ⇒ Manager should coach as necessary

**5. Utilize "Just-in-Time" training**

- ⇒ Take training to understand and use team empowerment
- ⇒ Integrate training into the process as required i.e. interpersonal skills, coaching, holding others accountable, etc

**6. Proceed to function with established management accountability checkpoints.**

- ⇒ Assess team operation shortly after beginning
- ⇒ Assess team operation at half completion
- ⇒ Use crisis as an opportunity for a breakthrough

**7 Evaluate team performance at completion**

- ⇒ What worked?
- ⇒ What did not work?
- ⇒ What did we learn for future teams?
- ⇒ What do we need to learn for future teams?
- ⇒ Establish a new team project (with fewer guidelines) and "go for it!"

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Innovations International, Inc

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Guillory, CEO Innovations International Inc)

# Developing a Team Contract

## DESCRIPTION

The team develops guidelines for team behavior commitments, and ways of working together. The team discusses the guidelines, produces a written document and each team member signs the contract to indicate personal commitment. The contract can be given to each team member and posted in the team meeting room. These team rules, group norms and agreements can cover the following areas

- 1 Identification of the team mission statement, team values and team goals
- 2 A start and completion date
- 3 Agreements on meeting management having agendas in advance, stating time allotted for each agenda item, summarizing decisions in the minutes, starting on time, attending regularly, how absent members are brought up to speed, full participation in meetings, regular team meeting times and place)
- 4 Definition of key roles: leader, facilitator, recorder, process observer, timekeeper, member, sponsor, resource people, supervisor. Names of team members and sponsor, resource people and supervisor. A commitment to rotate team roles among team members
- 5 Commitments regarding time needed from team members and any other resources team members may need to contribute. Agreements about how to handle absences of team members, tardiness, not meeting deadlines, or other problem areas
- 6 Description of the way the team will work together: the use of individual work, work teams and other work methods, the ways decisions will be made, how the team will handle disagreement with decisions
- 7 Any other issue the team wants to clarify
- 8 Signatures of all team members

## A Typology of Participation

Typology	Components of Each Type
<b>Passive participation</b>	People participate by being told what is going to happen or has already happened. It is a unilateral announcement by an administration or project management without any listening to people's responses. The information being shared belongs only to external professionals.
<b>Participation in information giving</b>	People participate by giving answers to questions posed by researchers and project managers using questionnaire surveys or similar approaches. People do not have the opportunity to influence proceedings, as the findings of the research or project design are neither shared nor checked for accuracy.
<b>Participation by consultation</b>	People participate by being consulted, and external agents listen to views. These external agents define both problems and solutions and may modify these in the light of people's responses. Such a consultative process does not concede any share in decision making and professionals are under no obligation to take on board people's views.
<b>Participation for material incentives</b>	People participate by providing resources, for example labour, in return for food, cash or other material incentives. Much <i>in situ</i> research falls in this category, as rural people provide the fields but are not involved in the experimentation or the process of learning. It is very common to see this called participation, yet people have no stake in prolonging activities when the incentives end.
<b>Functional participation</b>	People participate by forming groups to meet pre-determined objectives related to the project, which can involve the development or promotion of externally initiated social organizations. Such involvement does not tend to be at early stages of project cycles or planning, but rather after major decisions have been made. These institutions tend to be dependent on external structures but may become independent in time.
<b>Interactive participation</b>	People participate in joint analysis, which leads to action plans and the formation of new local groups or the strengthening of existing ones. It tends to involve interdisciplinary methods that seek multiple perspectives and make use of systematic and structured learning processes. These groups take control over local decisions, so that people have a stake in maintaining structures or practices.
<b>Self mobilisation active participation</b>	People participate by taking initiatives independent of external institutions to change systems. Such self-initiated mobilisation and collective action may or may not challenge existing distributions of wealth and power.
<p><i>Source:</i> Pimbert and Pretty, 1994. Published in <u>Whose Eden? An Overview of Community Approaches to Wildlife Management</u>, International Institute for Environment and Development, London: Russell Press, July 1994.</p>	

# Strategic Objective Team

The operating unit shall establish a Strategic Objective Team for each strategic objective, strategic support objective, and special objective...



The Achieving process begins (*in the sense that any of the three processes (Planning, Achieving, Monitoring & Evaluation), which are cyclical and interdependent, has a beginning and an end*) with completion of the Operating Unit's strategic plan and formation of Strategic Objective (SO) teams. The very use of SO teams and their composition relate very directly to the three core values of "teamwork," "empowerment and accountability," and "customer focus."

## *What does this mean for USAID's partners?*

Partners have the opportunity to be much more involved in strategic visioning, program planning and results monitoring than in the past. This should provide many more opportunities of synergies between USAID's and partners' activities, thereby ensuring greater impact.

# Strategic Objective Team

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- ◆ **USAID personnel** (technical and
  - ◆ **agents,** support staff)
  - ◆ **partners,**
  - ◆ **stakeholders, and**
  - ◆ **customer representatives**
- ... jointly working together to  
achieve the SO**



According to the draft directives, there is an SO core team of USAID personnel, who shall establish a broader SO team. The distinctions between the core team and the broader SO team are important ones -- see E202 5 2a in the ADS for more details.

The SO team should include people who

- (1) bring significant expertise or knowledge needed for SO achievement (*this includes using folks from AID/W under the virtual teaming principle and joint programming principle*),
- (2) represent major development partners whose resources bear on achievement of the SO,
- (3) represent key stakeholders, especially local groups and individuals who will gain or suffer if the SO is achieved, and
- (4) representatives of major USAID customers for the SO

## **Strategic Objective Team**

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- ◆ **Organizes and manages itself**
- ◆ **Determines how key results are to be achieved**
- ◆ **Allocates resources for achieving key results under the SO**
- ◆ **Achieves the SO on time**



## **Strategic Objective Team**

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- ◆ **Ensures that agreements are aimed at achieving key results and the SO**
- ◆ **Monitors program performance**
- ◆ **Evaluates, as necessary, the hypotheses inherent in the results framework**
- ◆ **Reviews, analyzes, and reports on actual results**



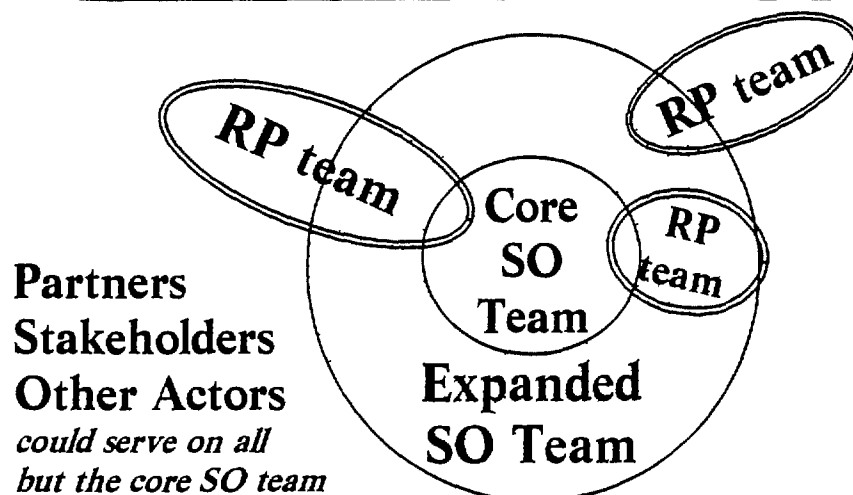
## Strategic Objective Team

- ◆ Makes informed decisions regarding results packages and the results framework
- ◆ Recommends changes in the SO or other elements of the strategic plan
- ◆ Prepares appropriate Closeout Reports



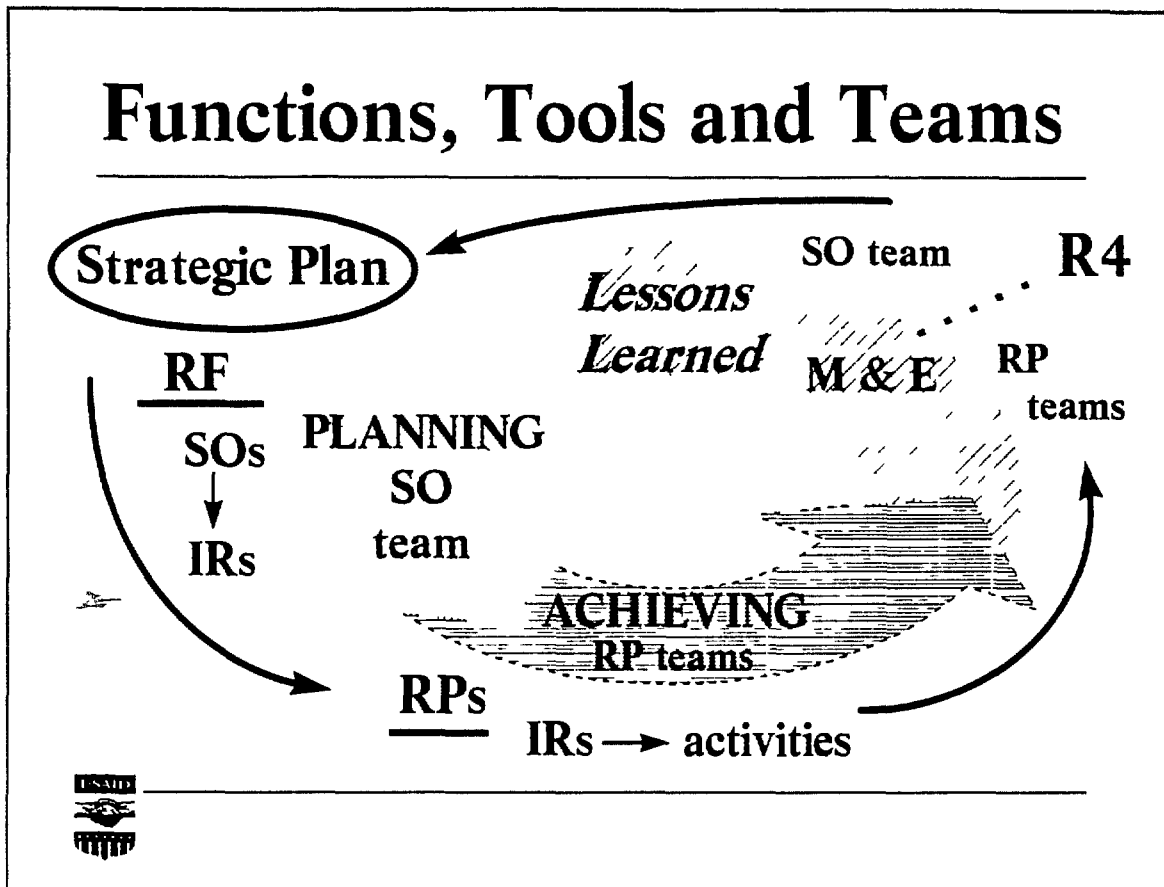
*Results Package (RP) Teams may be formed by the SO Team*

## Possible RP Team Structures



NB The guidance states that “together, the core and expanded comprise the SO team ” For the distinction between the two see E202 5 2a

# Functions, Tools and Teams



The Strategic Objective Team (SOT) develops the Results Framework (RF) and then typically delegates much of the authority and responsibility (but, of course, not the accountability) for achieving the Intermediate Results (IRs) to the Results Package Teams (RPTs)

Each RPT will need to analyze implementation alternatives, and plan and manage its activities to deliver on its group of IRs (contained in its results package (RP)). The RPT will monitor and evaluate activity-level results and impact. Above the RP-level, the SOT will monitor and evaluate the correctness of the development hypothesis as well as the performance of the program in delivering on the Strategic Objective.

# Empowerment and Accountability

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- ◆ Authority
- ◆ Accountability
- ◆ Capability  
*(Tools, Knowledge, Ability)*
- ◆ Trust



## WHAT IS EMPOWERMENT?

There are many definitions of empowerment. The following thoughts are intended to create a “picture” of what we mean by the concept of empowerment.

- ❖ An environment in which objectives, policies, systems and structures work toward common goals which are clearly communicated at all levels of the organization.
- ❖ Expectations and jobs which are in line with the capabilities of employees.
- ❖ Systems which consistently provide all personnel with the training, resources, and authority to do their jobs well.
- ❖ A climate in which individuals (and teams) are encouraged to take responsibility for their own work and are given the means to evaluate and improve their own performance.
- ❖ Systems which encourage, evaluate, and reward individuals for contributions to the organization in ways apart from their everyday work and see all of their efforts as worthwhile and important.
- ❖ Executives, managers and employees who are clear about the scope of their authority and accept personal responsibility and accountability for providing customer satisfaction continually improving processes, and continually learning.

## FOUNDATION OF EMPOWERMENT

The foundation of empowerment is based upon a clear understanding and realization of the fundamental concepts defined below

**Personal responsibility** is the willingness to view oneself as the *principal source* of the results and circumstances which occur in one's life, both Individually and collectively with others in the workplace. Managers and employees are most effective in those areas which they have personally mastered and for which they claim maximum personal responsibility.

**Personal accountability** is the willingness to claim *ownership* for the results which are produced as a consequence of one's involvement, both individually and collectively with others in the workplace. Through ownership of the difficulties as well as the successes which occur in the workplace, the truly empowered manager or employee realizes the opportunity for feedback, growth, and the acquisition of new skills in the areas where deficiencies exist.

**Personal empowerment** is an *internally-derived* capacity to perform at or above an established level of expectation. This capacity is expanded by going beyond both self-imposed and external limitations. The fundamental characteristic of an empowered individual is the acceptance of personal responsibility. An individual is personally empowered only to the extent that he or she assumes a predisposed mindset of personal responsibility. Therefore, personal empowerment is ultimately measured by performance.

References on these two pages from  
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## PRINCIPLES OF EMPOWERMENT

- 1 People are the most important organizational resource
- 2 High-involvement is maximized
- 3 Teamwork is valued and rewarded
- 4 Personal and professional growth are continual
- 5 Responsibility and accountability are maximized
- 6 Self-determination, self-motivation, and self-management are expected
- 7 Expanded delegation is a continual process
- 8 Hierarchy is minimized
- 9 Organizational leadership and support are necessary
- 10 Diversity is a necessity for organizational empowerment

## IMPLEMENTING EMPOWERMENT

The most important factor to understand when implementing this management philosophy is that it is a transformation of the organizational culture. This means a fundamental change in an organization's pattern of beliefs, values, attitudes, and norms that dictate its day-to-day operation, both spoken and unspoken. It also means a change in the basis and procedure for decision making and policy making. Ultimately, every employee in the organization must be impacted by this change in the way work is performed and managed.

The organizational leadership is the most important segment in instituting cultural change, whether it is participative or hierarchical. The leadership must clearly communicate to the organization the rationale for and value of the new cultural framework. This must be done in a *sufficiently inviting and persuasive* manner so that it is accepted and embraced through self-enrollment by a critical and significant part of the organization.

The rate at which empowerment occurs as a concerted and systematic process is determined by the level of organizational support, where "concerted" refers to a long-term plan and "systematic" refers to the successful stepwise implementation of the plan. Organizational support is an ongoing process established by a unit, division, and/or organization which not only encourages, but visibly demonstrates its expectation of empowered behavior, empowered employees, and an empowered organization.

## WHAT EMPOWERMENT IS (AND IS NOT)

There has been considerable confusion within human resource development and management literature regarding what empowerment actually is. Some have implied that it is only participative management warmed over. Others have emphasized excitement and climate-setting strategies.

### Definitions

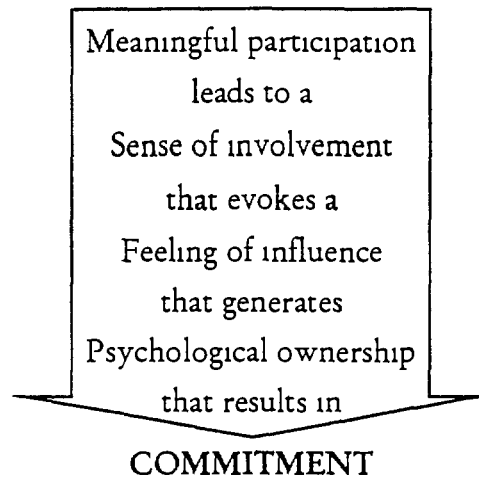
There is an old paradox about power: the more you give it away the more you have. Many people who become supervisors and managers forget this truth, and they try desperately to hold onto what they perceive to be their power. As a result, they create resistance among their "followers", and they end up having little power at all. Toffler points out: "Of course, no one likes to give up power. The lowliest foreman and the highest paid executive may both have a stake in maintaining old-style work relationships. But the odds are shifting against them." Kanter adds: "In many segmentalist organizations, supervisors and middle managers feel sufficiently powerless anyway so that they may be even more resistant to schemes that take away what limited authority they feel they have and do not also give them something else to do to feel important and useful."

Power is the ability to get intended effects, to get what you want. Bonnie and Nanus say that power is "the capacity to translate intention into reality and sustain it." It can also be thought of as having the means to meet needs. A person is perceived as powerful when he or she has what someone else wants or needs. That may be information, contacts, skills, authority, personality, or the ability to stop things or prevent decisions from being made. Kanter calls these "organizational power tools," "three basic commodities that can be invested in action: *information* (data, technical knowledge, political intelligence, expertise), *resources* (funds, materials, space, time), and *support* (endorsement, backing, approval, legitimacy)."

Most power in organizations is attributed, that is, it is in the eye of the beholder. People make you powerful when they choose their behavior on the basis of your expectations. A person makes himself or herself powerful by claiming credit for having developed himself or herself and for having achieved organizational position. Self-empowerment, then, is something over which a person has considerable control, even if a person is in an oppressive climate.

Empowerment is the process of enabling people to do what they are qualified and being held accountable to do. It means driving down decision making, information, control over work conditions, and other job-related procedures in order to generate commitment. It means avoiding the "responsibility without authority" trap. Empowering others (employees, for example) is a process of involving them in matters for which a leader needs their understanding and commitment. It is a leap of faith for many managers. The person is trusting that if he or she drives down decision-making, problem-solving, action planning, goal-setting, task sequencing, etc., he or she will receive in return synergy and increased effectiveness.

The more influential a person feels in the work situation the more likely he or she is to commit to being effective on the job. The authors Law of Commitment say that commitment represents an attitude shift that is triggered by participating meaningfully in things at work that affect the individual.



There is "more truth than poetry" in this law, when a person perceives his or her participation in decisions, problem-solving, planning, goal setting, and change to be personally relevant, that individual may become committed, when others decide for a person, that person is less likely to support the conclusions actively. Empowerment means that something has to happen inside the individual. A person has to experience a shift in attitude. He or she has to feel influential - empowered. As Sashkin observes, "While it cannot be suggested that participation in goal setting and decision making will magically and totally remedy workers' feelings of powerlessness - which have been fostered by organizations over the past hundred years - sound evidence indicates that participative management approaches involving goal setting and decision making do increase workers' sense of power and control." If a person is meaningfully participating, the work situation or decision becomes that individual's, and he or she will likely become ready and willing to do whatever it takes to make the situation work. A person is committed to what he or she *owns* psychologically. If it is *their* problem, the person is not committed, he or she may go along, but the matter will not receive his or her full effort. A long time ago Drucker put it this way: "Motivation is a problem in psychology and therefore stands under different rules. It requires that any decision become 'our' decision to the people who have to convert it into action. This in turn means that they have to participate responsibly in making it."

A person's own empowerment usually establishes his or her limits on empowering others, particularly employees. In other words, if a leader does not feel influential over work decisions and procedures that affect his or her own job, that person is unlikely to give away what power he or she does have to other people. In an organization in which non-participation is the norm, a leader will probably conform. If a leader's own manager does not consult with him or her or actively involve employees in decisions in which they could add value or that affect their work, that leader probably will mirror the boss's behavior with his or her own employees.

## Misconceptions About Empowerment

Numerous misconceptions have arisen around the concept and practices of empowerment. Empowerment does not mean being a wimp, giving up, caving in, giving the dog a bone, giving away the store, asking for advice, or disempowering oneself. Here are the most common misconceptions, with commentary on each.

**Misconception** A leader can empower others. This is a notion that is similar to the one that managers can somehow motivate employees. That cannot be done either. Convey is typical of writers who imply that empowerment is something you do to other people, "If you want to influence and empower people, first recognize that they are resourceful and have vast, untapped capacity and potential." People empower *themselves*, leaders *facilitate* the process through coaching, counseling, delegating, training, rewarding, modeling and challenging. People are motivated, but they may not be empowered. If they seize opportunities and grow into competence they empower themselves. The first steps in facilitating the empowerment of others, according to Byham, are to maintain one's self-esteem, listen and respond emphatically, and ask for help in solving problems. Previous efforts at applying motivation theory to enhancing human performance have not been effective. As Vogt and Murrell point out, "Whereas the motivational orientation seemed to ask 'What can we do to employees so they will contribute in ways we see as most useful?' an empowerment orientation asks 'What can we do to facilitate people's individual and joint contributions to their own and the organization's well being?'"

**Misconception** Empowerment results in a loss of control. This notion is the major fear of managers and supervisors. Being accountable for staying on top of a situation that is out of control is viewed as something to be avoided at all costs. In fact, empowerment does not necessitate a loss of control. However, the *type* of control shifts from one of restraints to one of accountability. Sometimes what leaders refer to as control is simply the illusion of control. Tight procedures and regulations are seldom followed to the letter. Holding people accountable and supporting them in their development are highly beneficial forms of control. If you want to control people, excite them with vision and help them to develop the means to actualize it.

**Misconception** Power is dirty. Power simply is, it is *judgments* about the actual exercise of power that make it good or bad. As King and Glidewell said, "To many the word 'power' has a negative connotation, undoubtedly because it is so frequently allied with negative acts." Organizations can be "low wattage," can have not enough power. When everyone becomes powerful, the organization has increased its human resources. What often is confused with empowerment is organizational politics. They, too, simply exist. They do not go away when people become empowered, they change in unpredictable ways.

**Misconception** People do not want power, they want to be led It is clear that one of the demotivators that employees complain about is lack of credible, strong leadership People want to be led, but they do not want to be *managed*

Empowerment is completely consistent with a view of leadership that promotes the establishment and nurturance of vision and organizational values

"Micromanagement' satisfies no employees except the clinically dependent Only people with well-developed neuroses want to be weak and powerless Being powerful in work situations is a necessary antidote to employee alienation

**Misconception** Power is a fixed quantity, if you give it away, you lose it One of the paradoxes about power in organizations is that it is an "expanding pie " The more you facilitate the empowerment of others, the more you are able to influence them In Machiavellian terms, grow your people in order to earn their "followership"

**Misconception** Empowerment is like "getting religion" There is a certain moral attraction to the concept of empowerment It sounds good, especially if you have little power The truth however, is that empowerment is not a conversion experience, it is hard work Empowering oneself inevitably involves taking risks, stretching, learning and changing Empowering others entails coaching, counseling, delegating developmentally, observing, providing timely, task-oriented feedback, and many other activities Empowerment means focusing on behavior change, not attitude development As Beer et al', state "The most effective way to change behavior is to put people into a new organizational context which imposes new roles, responsibilities, and relationships on them This creates a situation that in a sense 'forces' new attitudes and behaviors on people " This can be done, of course, in humane, participatory ways

**Misconception** Empowerment always leads to beneficial results The truth is that when you facilitate the empowerment of individuals and teams within the organization, they sometimes make bad decisions and incomplete plans Sometimes they become legalistic and argumentative about their rights as employees Other times they interpret empowerment as a license to break the rules with impunity Empowerment is not the answer in the back of the book" It is a way of doing business, a difficult path that needs to be taken, imperfect as it is

*The Empowerment Profile* by John E. Jones, Ph D and William L. Beady, Ed D ,  
Organizational Universe Systems, 1992

## ORGANIZATIONAL EMPOWERMENT

### (Principles)

- 1 Involves organizational commitment to producing an exceptional product or service, exceeding customer demand, and preserving the well-being of all employees
- 2 Incorporates the definitions of responsibility, accountability, and empowerment as the basis for operational agreements
- 3 Expands the focus of a product or service from the individual and the team to include the organizational unit
- 4 The Individual and the team realize how their contribution fits within a greater whole The focus is "What is best for the external client/customer in terms of product or service?" rather than "What is best for the individual or the team?"
- 5 The management structure, horizontally and vertically, espouses and demonstrates their action-oriented support of empowerment
6. Management establishes action-oriented procedures (i.e., delegation with authority and accountability) that demonstrate its support of empowerment

\* An organization is a network of interdependent units that produces a product or service for internal and/or external customers

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Dr William Guillory, CEO, Innovations International, Inc)

## CREATING AN EMPOWERING ORGANIZATIONAL ENVIRONMENT

Organizations can be created which allow empowerment to flourish and grow

In empowering organizations, managers

- ☞ Describe clearly the purpose of the organization and work process and what are the desired outcomes
- ☞ Clearly describe the jobs of employees, how they fit in and contribute to the larger process Employees must be clear on what is expected of them and for what they are responsible and accountable
- ☞ Match the structure, duties and level of jobs with the capabilities of individuals in them
- ☞ Describe the latitude and discretion employees have in the job, especially as it relates to making improvements and satisfying customers' needs
  - ☞ Expand the latitude to the maximum extent possible
- ☞ Provide employees with the authority they need to do the job well
- ☞ Help employees view their jobs in a context which includes the value of contributions made to the organization as a whole, to customers, to society, etc
- ☞ Ensure employees can do their jobs by providing training, instructions, tools and equipment, and a physical environment conducive to successfully completing their tasks
- ☞ Ensure employees (and teams) have ongoing information to monitor performance (individual overall results performance), and the authority to take corrective action or raise concerns
- ☞ Ensure that employees are not punished for calculated and well-intentioned risk-taking Use these as opportunities to learn
- ☞ Create an environment where honesty prevails, where employees feel comfortable discussing how something is really working, even it is in contrast to how it is supposed to be working
- ☞ Foster open, honest and genuine communication Communication aimed at pleasing the boss at the cost of achieving results should be discouraged

## Six Team Leadership Behaviors

- ◆ Create an open, honest environment
- ◆ Encourage team members to cooperate
- ◆ Obtain commitment from team members
- ◆ Explain that the task to be accomplished dictates the procedure to be used
- ◆ Forge workable compromises when differences arise
- ◆ Be alert for opportunities to teach and direct



Team leaders and members alike need to remember the cardinal rule of delegation

You can delegate responsibility and authority  
but not accountability

The team remains accountable for the group's results, regardless of whether a sub-group or individual member has been given the authority to act in the team's name

"Delegation of accountability" is nothing but abdication of responsibility for the task -- and consequently it's the best way to set up subordinates for failure -- a failure shared by everyone. Good delegation requires being able to clarify the task and requirements (success factors) in advance, to negotiate the task parameters (time, quality, quantity, etc) with the delegatee, and then to leave the person or sub-group alone to do the task. The delegator should monitor at arms length. "micro-managers" are never good delegators and consistently work contrary to the empowerment of their subordinates despite their good intentions.

Besides knowing how to effectively delegate, the “empowering manager” needs to

- ☛ have a clear vision of where the organization/team is heading, what the goals are and how the delegated tasks serve those goals
- ☛ consistently demonstrate high personal and business standards
- ☛ develop a strong working relationship with subordinates/colleagues and demonstrate trust and respect for them
- ☛ be willing to let subordinates/colleagues make mistakes, without chastising, lecturing, or extracting some other kind of “payment”

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*From USAID/Benin Retreat\**

## MANAGERIAL ACTIONS THAT FACILITATE EMPOWERMENT

**Setting Direction** – Enables others to analyze situations and identify strategies that will help improve the situation. Helps people look beyond short term results and picture a longer term “vision” of how things should be for example, how teams in the field office should work together or how communities should be served. Facilitates others’ involvement in systematically developing plans which will achieve expected results. Helps others understand and be skillful using program planning processes. Carries out direction setting and planning in a way so that participants feel involved in the process, are committed to taking responsibility for implementing steps in the plan, and are able to sustain the planning process over time.

**Structuring** – Supports both formal (e.g., reporting relationships, job descriptions) and informal (ways information is shared, who is included in what kinds of meetings) structures that enable people to get results. Manages performance so that individuals are performing to the best of their ability, are realizing their own potential, and are fulfilling the larger objectives of the organization. Works to provide staff the necessary resources to carry out these objectives. Develops and sustains effective, high producing teams which can work independently and make decisions on issues like who works on what, and how to improve quality and productivity. Effectively negotiates for resources with and manages the expectations of external constituencies.

\* text prepared by Training Resource Group

## MANAGERIAL ACTIONS THAT FACILITATE EMPOWERMENT *continued*

**Communicating** -- Recognizes that access to needed information enables people to act in empowered ways, supports patterns of communication that emphasize participation, trust, and openness. Creates a climate where information is shared widely and in a timely way, and where people feel free to state views which are different from each others and from those "in power". Effectively facilitates information-sharing forums including staff meetings, one-on-one meetings, community meetings and written communication. Builds broad networks of people who are eager to share information. Practices good individual communication skills, particularly by demonstrating an ability to ask questions which involve people and by actively listening.

**Decision-Making** -- Enhances people's capacity to make decision and organize themselves to solve their own problems. Is clear about his or her own decision making style, and routinely examines the appropriateness of his or her own role in decision making. Seeks extensive input around decisions that need to be made, and, where possible, shares the responsibility for making decisions with all those affected by the decision. Delegates authority to others to make decisions as they carry out their job responsibilities and works to ensure that final decisions are made at the place where it is most appropriate in terms of information and expertise.

**Supporting** -- Recognizes that a critical element of his or her role is valuing diversity through helping people learn, develop professionally and make the maximum contribution to the office. Helps others learn from their own experience by coaching and facilitating opportunities for groups and individuals to carry out self assessment. Shares his or her own expertise in ways that do not create dependency. Builds others' self confidence and pride in accomplishment. Exhibits and models curiosity about others diversity and value added contributions, willing to educate and be educated. Supports people's efforts with both appreciative and constructive feedback. Looks for ways to develop his or her own skills and seeks feedback from others. Strives to get others involved in the process of continuous improvement. Models with his or her own managerial actions (e.g., when problem solving, planning or making decisions) how staff should act when working in the community. Maintains his or her own positiveness and enthusiasm in the face of difficulties. Helps satisfy others' needs for career enhancement, recognition, self-esteem, a sense of control over their lives, and living up to one's ideals.